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Overview

IN THE COURSE of capitalist development in Latin America, one of the fundamental political transitions has been the emergence of worker protest and an organized labor movement, along with the varied responses of the state to this new actor within society. During a relatively well-defined period in most countries, a historic change took place in the relationship between the state and the working class. An earlier pattern—in which repression was generally a far more central feature of the state response to worker organization and protest—gave way to state policies that launched the "initial incorporation" of the labor movement. State control of the working class ceased to be principally the responsibility of the police or the army but rather was achieved at least in part through the legalization and institutionalization of a labor movement sanctioned and regulated by the state. In addition, actors within the state began to explore far more extensively the possibility of mobilizing workers as a major political constituency.

The terms on which the labor movement was initially incorporated differed greatly within Latin America. In some countries the policies of the incorporation period aimed primarily at establishing new mechanisms of state control. In other cases the concern with control was combined with a major effort to cultivate labor support, encompassing a central role of a political party—or a political movement that later became a party—and sometimes producing dramatic episodes of worker mobilization. The alternative strategies of control and mobilization produced contrasting reactions and countereactions, generating different modes of conflict and accommodation that laid the foundation for contrasting political legacies.

The analysis of these distinct patterns of conflict and accommodation offers new insight into important contrasts among countries such as: whether a cohesive, integrative political center was formed or more polarized politics emerged; whether and how party systems came to channel social conflict; and, more specifically, why in some countries the electoral and trade-union arenas came to be dominated by parties of the center, whereas elsewhere parties of the left came to play a far greater role. The analysis sheds light on alternative patterns of sectoral and class coalitions, distinct modes of centrifugal and centripetal political competition, and contrasting patterns of stability and conflict. It also helps explain whether countries followed a democratic or authoritarian path through the period of new opposition movements and economic and political crisis of the 1960s and 1970s.

The emergence of different forms of control and mobilization during the initial incorporation periods, along with their varied legacies, is the focus of this book. The study is based on a comparative-historical analysis of the eight countries with the longest history of urban commercial and industrial

development in the region: Argentina, Brazil, Chile, Colombia, Mexico, Peru, Uruguay, and Venezuela.

It bears emphasis that single-country monographs and historical studies focused on each of these eight countries have commonly asserted that the years we identify as the initial incorporation periods were historical watersheds that had a major impact on the subsequent evolution of politics.[1] Yet these analyses, focusing as they do on individual countries, not surprisingly have lacked consistent criteria for identifying and comparing the incorporation periods, as well as for carrying out a comparative assessment of their legacies. The goal of this book is to provide a framework for this comparison and to offer a methodological and analytic basis for assessing the causal impact of the incorporation periods on the national political regime.

In focusing on the state's role in shaping the labor movement and on the reactions and counterreactions at the level of national politics produced by these state initiatives, we do not intend to suggest that workers and labor leaders did not themselves play a major role in constituting labor movements. Their role has been amply documented,[2] and at various points it plays an important part in the present analysis.[3] However, our primary attention centers at a different level: the repercussions for the larger evolution of national politics of alternative state strategies for dealing with the labor movement. At this level of analysis, one can identify fundamentally contrasting trajectories of change that merit sustained attention in their own right.

In that the book seeks to trace out these contrasting trajectories of national political change, we see this study as part of the ongoing quest in the Latin American field over the past 30 years to explain the different paths of national development found within the region.[4] In this context, our analysis is

[1] For example, Argentina: Corradi 1985:58; Doyon 1975:153; Mallon and Sourrouille 1975:7; Horowitz 1990; Wynia 1978:43–44, 80; Luna 1969:15; Fayt, quoted in Ciría 1968:326; Waisman 1987; Torre 1989:530. Brazil: Schmitter 1971:127; Mericle 1977:304; Erickson 1977:11; Ianni 1970:89; Simão 1981:169. Chile: Morris 1966:2; Barría 1972:37–38; S. Valenzuela 1976:141; Bergquist 1981:45–46; 1986:75; Pike 1963:188. Colombia: Urrutia 1969a:109, 113; Dix 1967:91; Molina 1974:280; 1977:85, 101. Mexico: Hansen 1974:34, 98–101; Garrido 1982:11, 296; Córdova 1974; 1976:204, 211; 1979:9–11; Cornelius 1973:392–93. Peru: Sulmont 1977:82; Pareja 1980:115; Angell 1980:21; Adams 1984:36–37; and from a comparative perspective C. Anderson 1967:249. Uruguay: Finch 1981:9; Vanger 1963:272, 274; 1980:348; Caetano 1983a:5; Fitzgibbon 1954:122. Venezuela: Levine 1973:29; Alexander 1982:224; Martz 1966:62; Godio 1982:30, 85; and from a comparative perspective, C. Anderson 1967:283–84.

[2] At the level of a broad comparative-historical analysis, see Bergquist (1986). Many excellent monographic studies also adopt this perspective.

[3] Chapter 3 focuses on the early history of the labor movement from the perspective of worker organization and worker protest. In the analysis of the incorporation periods in Chapter 4, the discussion of the goals of actors within the state who initiate incorporation—the "project from above"—is juxtaposed with a discussion of the goals of the leading sectors of the labor movement, the "project from below."

[4] A partial list of relevant authors and citations dealing with the comparative analysis of South America and Mexico that address these themes might include J. Johnson (1958), Silvert and Germani (1961), Hirschman (1965, 1977, 1979), Di Tella (1965, 1968), C. Anderson (1967), Halperín Donghi (1969), Cardoso and Faletto (1969, 1979), Schmitter (1972), O'Donnell (1973, 1975), Bambirra (1974), R. Kaufman (1977a, 1977b, 1979, 1986), Stepan (1978b, 1988), D. Collier (1979), Therborn (1979), O'Donnell, Schmitter, and Whitehead (1986), and Bergquist (1986).

both narrow and broad. It is narrow in that it focuses on critical transitions in the relationship between the state and one particular actor in society, the organized labor movement. Yet it is broad in that this focus serves as an optic through which a much larger spectrum of political relationships and patterns of change can be integrated into an explanatory framework. The analysis is likewise broad because it is framed by scholarly debates on democracy and authoritarianism, corporatism, patterns of state transformation in the face of new social forces, the formation of distinct types of party systems, and the relative autonomy of politics.

Obviously, the issues considered here are not unique to Latin America. They are, for instance, the focus of a broad spectrum of authors concerned with European development, from Karl Marx to T. H. Marshall and Reinhard Bendix, who have analyzed these themes within the context of what Bendix (1964:23) refers to as the "pervasive, structural transformations" of Western societies that encompassed in the economic sphere the spread of market relationships and in the political sphere the spread of individualistic authority relationships. Crucial to the latter was the extension of citizenship to the lower class, involving the right of "association" and "combination" and the diverse ways in which worker organization, worker protest, and state policy toward worker associations interacted to shape the evolution of national politics (Bendix 1964:chap. 3, esp. 80–87). The present study parallels the concerns of various analysts of Europe who have viewed the incorporation of the working class as a pivotal transition within this larger process of societal change.[5]

The method of this book is a type of comparative history designed to discover and assess explanations of change. The method has two components. The first is the generation and evaluation of hypotheses through the examination of similarities and contrasts among countries. The second is the procedure of "process tracing"[6] over time within countries, through which explanations are further probed. We thereby evaluate whether the dynamics of change within each country plausibly reflect the same causal pattern suggested by the comparison among countries. The result is an analysis centrally concerned with the elaboration of concepts and comparisons, but also shaped by the conviction that this elaboration must be anchored in a close, processual analysis of cases over long periods of time. The book thus presents an extended examination of each case over several decades, and we hope that for readers who lack a close knowledge of these countries, this historical presentation will make our argument clear. However, we do not intend this as

[5] Lipset and Rokkan 1967; Waisman 1982; Lipset 1983; Luebbert 1986, 1987; J. Stephens 1986.

[6] The procedure was proposed by George and McKeown (1985:34ff.). It is similar to the procedure of "discerning" earlier advocated by Barton and Lazarsfeld (1969) and of "pattern matching" advocated by Campbell (1975).

a general political history of these countries—nor even of the labor movement or of state-labor relations. Rather, the historical treatment is selective, focused on probing arguments related to our principal thesis about the emergence and impact of the incorporation periods.

The Historical Argument

In the first decades of the 20th century, the relationship between the state and the labor movement changed fundamentally. Prior to that time, state policy commonly involved extensive repression of working class organization and protest, repression that on many occasions resulted in the death of dozens or even hundreds of workers. This earlier era saw occasional ad hoc state cooperation with labor groups in sectors too important economically or politically to permit their continual repression, as well as occasional state efforts to mobilize the support of workers. Nonetheless, the labor movement was dealt with in important measure coercively—by the police or the army.

During a well-defined period in each country, this relationship was altered. In general, some use of repression continued, but control was to a greater degree accomplished through the legalization and institutionalization of certain types of labor organization. Unions became legitimate actors within these societies. In conjunction with the unions' more legitimate role, political leaders also began to pursue far more extensively than before the option of mobilizing workers as a base of political support.

This change to new modes of state-labor relations—from repression to institutionalization, from exclusion to incorporation—generally took place in the context of a larger set of political transformations also occurring in the early decades of this century. These included a decline in the political dominance of older oligarchic groups and the assumption of power by newer elites drawn in part from the "middle sectors,"[7] whose social, economic, and political importance was increasing rapidly with the sustained economic expansion and the growing importance of the urban commercial and manufacturing sector during this period. Reformist elements that emerged from the more traditional elite also played a significant role in this period of change. The new political leadership promoted a transition from a laissez-faire state to a more interventionist state, a change signaled by the promulgation of new "social constitutions." The state came increasingly to assume new social, welfare, and economic responsibilities involving above all the modern sector of the economy, but in a few cases also encompassing a restructuring of work and property relations within the traditional rural sector.

The incorporation of the labor movement was typically high on this agenda of change, though its timing varied among countries. In conjunction with the new social and welfare responsibilities, the state introduced new legislation regulating such things as working conditions, minimum wage,

[7] See discussion of this term in the glossary.

and social security. With the new economic responsibilities, the state began to establish a regularized system of labor relations, assuming a role as mediator of class conflict and arbiter of labor-management disputes. Actors within the state established regularized, legal channels of labor relations and made some concessions to correct the worst abuses of the working class, thereby seeking to take the labor question out of the streets and away from the police or army and bring it into the realm of law by providing mechanisms for the peaceful settlement of labor disputes. The goal, in the terms in which it was commonly conceived, was to "harmonize the interests of labor and capital." These changes were accompanied by the introduction of corporatism as a new set of structures for the vertical integration of society. Corporatism in Latin America thus involved the legalization and institutionalization of an organized labor movement, but one that was shaped and controlled by the state.

This, then, is the historical commonality of these countries. In the course of capitalist modernization, two broad new sectors produced by modernization, the working class and the middle sectors, began to be integrated into the polity in more subordinate and more dominant positions, respectively, within the framework of an important redefinition of the role of the state in society.

The argument of this book is that within the framework of this historical commonality, there were fundamental political differences in how this process of labor incorporation occurred. In most cases the result was ultimately the creation of an organized labor movement and system of industrial relations in important measure controlled and regulated by the state. Yet this occurred in very different ways. Correspondingly, the larger political legacy of these earlier periods differs fundamentally among countries. To introduce these differences, it is necessary to discuss further the incorporation periods themselves.

Types of Incorporation Periods. We define the initial incorporation of the labor movement as the first sustained and at least partially successful attempt by the state to legitimate and shape an institutionalized labor movement. During the incorporation periods, institutionalized channels for resolving labor conflicts were created in order to supersede the ad hoc use of repression characteristic of earlier periods of state-labor relations, and the state came to assume a major role in institutionalizing a new system of class bargaining.

The analysis of initial incorporation revolves around two arguments. First, this fundamental change in state-labor relations occurred in relatively well-defined policy periods. These periods correspond to historical experiences as chronologically diverse as the Batlle era in the first decade and a half of the 20th century in Uruguay, the aftermath of the Mexican Revolution in the years following the 1917 constitution, the Vargas administration in Brazil beginning in 1930, and the Perón era in Argentina beginning in the 1940s. In most but not all cases, these incorporation periods coincided with the larger period of political reform and expansion of the role of the state discussed

above. Issues that arise in the identification and comparison of the incorporation periods are discussed in the glossary.

The second argument is that the different forms of control and support mobilization that emerged, along with the distinct actors that led the incorporation projects, are a key to distinguishing among them. At the most general level, we identify two broad types of incorporation experiences: *state* incorporation and *party* incorporation.

In the case of state incorporation, the principal agency through which the incorporation period was initiated was the legal and bureaucratic apparatus of the state, and the principal goal of the leaders who initiated incorporation was the control and depoliticization of the labor movement. In the case of party incorporation, a central agency of incorporation was a political party or political movement that later became a party, and a fundamental goal of political leaders, in addition to control, was the mobilization of working class support through this party or movement. This mobilization of labor contrasted sharply with the depoliticization characteristic of state incorporation.[8] In addition to distinguishing between state and party incorporation, we also explore three subtypes of party incorporation, discussed below.

Legacy of Incorporation. The distinct types of incorporation had a fundamental impact on the subsequent evolution of national politics. In all eight countries the incorporation experience produced a strong political reaction, and in most countries this reaction culminated in the breakdown of the national political regime under which the incorporation policies had been implemented. In the face of this reaction and of the counterreaction it often produced, the ultimate legacy of incorporation commonly entailed outcomes quite divergent from the goals of the leaders of the original incorporation period. To understand these outcomes, one must examine closely these reactions and subsequent counterreactions. We will refer to the period of reactions and counterreactions as the "aftermath" of incorporation, and to the longer-term consequences as the "heritage" of incorporation.

Two sequences of change may initially be identified. In cases of state incorporation, the incorporation project was principally concerned with state control of the labor movement and was implemented under an authoritarian regime. Correspondingly, the initial regime breakdown brought with it a process of democratization. In the cases of party incorporation, the incorporation period promoted progressive social policies and the political mobilization of the working class, and the regime under which incorporation occurred was in most cases more democratic and competitive. Here the incorporation period triggered a strong conservative reaction, which in most cases ultimately led to a coup and a period of authoritarian rule, followed later by the institution of some form of more competitive, civilian electoral regime.

[8] Given the definition of incorporation periods presented above, the state by definition played a role in both types of incorporation. The key question is whether, in addition, a party or movement played a major role and whether a central goal was depoliticization, as opposed to politicization in favor of this party or movement. For a further discussion of these distinctions, see Chapter 5.

By tracing the movement of the countries through these different sequences of change, we gain new insights into the evolving role of the labor movement in sectoral and class alliances and hence into the character of these alliances, the articulation of these alliances with the party system and the character of the party system, and the way crucial issues concerning the legitimation of the state were resolved—or often, not resolved. Special attention focuses on whether a stable majority bloc emerged roughly at the center of the electoral arena, whether unions were linked to parties of the center or parties of the left, and, relatedly, whether the union movement was generally in the governing coalition or tended to be excluded. On the basis of these dimensions, four broad types of outcomes are identified: integrative party systems, multiparty polarizing systems, systems characterized by electoral stability and social conflict, and stalemated party systems.

The consequences of these distinct patterns were dramatically manifested in the period of social and economic crisis and new opposition movements during the 1960s and 1970s, a period that culminated in the emergence of "the new authoritarianism" in some, but not all, of the most modernized countries of Latin America. The problem of explaining this outcome, as well as the contrasting experience of other relatively modernized countries that retained civilian regimes, has received wide scholarly attention over more than a decade.[9] We argue that an important part of the explanation of these contrasting regime outcomes is the structure of contestation and cooperation in the national political arena, which was in important respects the legacy of incorporation and of the reaction to it.

For each country, the analysis extends either to the onset of these authoritarian periods or to approximately 1980. After this point, significant changes in the parameters of politics occurred. Nonetheless, contrasts among countries that are in part the legacy of incorporation remain fundamental to understanding the agenda of political issues faced both by military governments and by the leaders of later democratization efforts. A primary goal of the book is to explore this evolving legacy of incorporation.

Looking at the overall trajectory of the different countries through this sequence of change, one observes a complex relationship between the character of the incorporation period and its legacy. In the intermediate run, the control-oriented approach of state incorporation in some important respects created a greater opportunity for future polarization. This occurred for several reasons, among them that many of the legal controls of unions broke down with the competitive bidding for workers' votes under a subsequent democratic regime, and that state incorporation left unresolved the partisan affiliation of workers and unions, leaving them available for mobilization by other actors in later periods. By contrast the often radical mobilization of party incorporation created political ties and loyalties that in some cases

[9] O'Donnell 1973, 1975, 1982; Stepan 1973; Linz and Stepan 1978; D. Collier 1979.

later contributed to conservatization of the labor movement and its integration within a centrist political bloc. Thus one potential trajectory of change was from *control to polarization*, and a second from *mobilization to integration*. A major goal of the analysis is to probe the factors that led particular countries to follow either of these two trajectories.

A final observation is in order about the normative implications of alternative outcomes such as polarization and integration. Under some circumstances and from some normative perspectives, the "stability" or reduction of conflict that might be associated with the outcome of integration are preferable to instability and conflict. Under other circumstances and from other normative perspectives, stability and reduction of conflict may be seen as blocking needed change, whereas polarization may open new avenues for change. These alternative assessments were actively contested in the eight countries during the periods studied here, and they are explicitly debated by social scientists who study these countries. In this book, our goal is not primarily to evaluate these outcomes but rather to advance the understanding of the political context in which they were fought out.

Relative Autonomy of the Political and the Impact of Socioeconomic Change

The book thus explores the long-term impact of *political* differences among countries during the incorporation period. By contrast, much of the literature on political change in Latin America has focused on social and economic explanations. Although we do not claim to present a monocausal model—in that we do not pretend to explain all the observed variations or features of regimes on the basis of political factors—the political argument explored here nonetheless does raise the issue of the relative autonomy of the political.

In recent decades in the context of the larger debate—both Marxist and non-Marxist—on the state, much attention was paid to the issue of political autonomy, particularly on a theoretical level. Yet, during the period when dependency theory was ascendant in Latin American studies, political analysis at times seemed to lose its way and politics was often considered epiphenomenal. What really mattered was the underlying pact of domination, which came part and parcel with the economic base.[10]

Subsequently, concern with the political sphere was revived and reinforced. In part this was due to the particular conjuncture in Latin America. As the military regimes of the 1960s and 1970s left the scene, attention turned to the possibility of creating a political arena that safeguarded democratic values, even in a situation where the underlying economic parameters had not changed.[11] Thus, there was interest first in political values that were

[10] For a critique of this perspective, see Cardoso (1979).

[11] O'Donnell, Schmitter, and Whitehead (1986) and Goodman (forthcoming) are examples of this focus.

previously disparaged and secondly in institution-building in the political arena for the consolidation of democracy.

It seems clear that some facets of the political process act as powerful and fundamental causal variables in social life and provide the basis for an underlying "political logic" that animates change, which is in a sense analogous to the "capital logic" that is a central concern of the dependency perspective. One component of this political logic is the generation of political projects in order to form coalitions to gain or retain political power.[12] It consists of a potentially autonomous realm of conflict over political incumbency and entails a political dynamic that played a central role in shaping the incorporation projects. Another component is the pursuit of legitimation, which is a fundamental imperative of the state and one that may conflict with other imperatives such as the protection and promotion of capital accumulation (Habermas 1975; O'Connor 1973). In addition to the potentially autonomous dynamic of change that revolves around these imperatives of incumbency and legitimacy, other sources of political autonomy are found in vested interests, sunk costs, and institutional rigidities.

The argument is not that the socioeconomic context of politics is unimportant. Rather it is that the political arena is not simply fluid, constantly responding to socioeconomic change. Instead, because of an autonomous political logic and vested interests, it may be resistant to such change over significant periods of time. Socioeconomic change is important to political outcomes, but the political arena may to some degree follow its own pattern and pace of change, that at times takes a highly discontinuous form.

This pattern of discontinuity contrasts with many forms of economic and social change. Socioeconomic change, such as urbanization or economic growth, is often a continuous process that proceeds at a more-or-less even rate—or an evenly fluctuating rate. It commonly entails the aggregation of innumerable changes or decisions by individual actors over time. A model of this type of incremental change is so fundamental to neoclassical economics that on the title page of his seminal work *Principles of Economics*, Alfred Marshall (1916) placed the maxim *natura non facit saltum*—nature makes no leaps. Some political change—for instance, that in the "behavioral" or attitudinal realm—may also occur incrementally.

However, other aspects of political change, in the structural, institutional, and policy spheres, may be more discontinuous. This discontinuity consists of macro transformations, deriving from a process of decision making for the collectivity regarding the distribution of political and societal resources and associated issues of conflict and cooperation. This process leads to the founding of new legal orders, state structures, or other institutional arrangements.

[12] See Cavarozzi (1975:33–37). This focus is related to C. Anderson's widely noted discussion of the logic of "winning, consolidating, and maintaining power" that is part of his "prudence model" of developmental policy-making in Latin America (1967:87, Chaps. 3–4) and parallels both Anderson (1967:87) and Ames's (1987) concern with "political survival." The focus is obviously similar to the larger concern in political analysis with how the goal of gaining and retaining power shapes political action (Downs 1957).

Such episodes of macro change may be followed by periods of minimal change or by more incremental and perhaps more informal change. For instance, smaller incremental changes in policy may be made, laws may not be applied, their implementation may evolve, and institutions and structures may begin to operate or behave in different ways. But these involve relatively minor shifts within a framework in which changes on a large scale are relatively infrequent. Between such major changes, institutions and structural rigidities create a partially autonomous logic of the political arena.

It is within this framework that the uneven impact of social and economic change on politics, of the kind explored in this book, must be understood. This perspective is introduced further in Chapter 1.

Approach to Comparison

Selection of Cases. The choice of the eight countries analyzed here is based on three criteria. First, along with vast differences in their social and economic makeup, these countries have the longest history of urban commercial and manufacturing development in Latin America. More than other Latin American countries, their modern sectors have for much of this century been sufficiently large to create an active arena of labor politics and state-labor relations. As a result, labor politics has long been a central issue on the national political agenda.[13]

Second, because these countries represent a "comparison set" that provides a useful basis for exploring hypotheses about industrial modernization, they have already received substantial attention in previous research on the political economy of industrialization and regime transformation. The present study therefore can build on an important body of analysis comparing the evolution of these cases. In particular, *The New Authoritarianism in Latin America* (D. Collier 1979), analyzed the same eight countries, focusing on the period of opposition movements, crises, and the rise of authoritarianism in the 1960s and 1970s. The present volume, by contrast, takes the analysis for these eight cases from roughly the beginning of the 20th century up to this period of opposition and crisis. It thus responds to the challenge posed

[13] In conjunction with this shared experience of economic and industrial growth and the related issue of country size, these eight countries loom large within the overall picture of demographic and economic expansion in Latin America. As of 1980 they contained 84 percent of the population of the 20 countries commonly defined as Latin America—i.e., with a "Latin" (Spanish, Portuguese, or French) colonial history—and as of 1979 they had 92 percent of the gross domestic product (not including Cuba). Although the major role of Cuba within the Latin American and international scene since the 1960s and the importance of the Central American crisis in the 1980s belies any argument that big countries are "more important," the demographic and economic preponderance of these eight countries merits note. Among the 20 countries, Brazil had 35 percent of the population, Mexico 20 percent, and the other six countries 29 percent. Among the 19 countries, Brazil had 32 percent of the GDP, Mexico 25 percent, and the other six countries 35 percent (Wilkie and Haber 1983:5, 280–81).

in the final chapter of *The New Authoritarianism*: that it is essential to view the rise and fall of authoritarianism in Latin America that occurred between the 1960s and the 1980s within the framework of longer cycles of regime change within the region (394–95).

Third, this set of countries is auspicious because for each of these cases there is an extensive body of historical and monographic literature on national politics and trade unions that constitutes an invaluable basis for the type of comparative analysis of secondary sources carried out here.

Differences and Commonalities among Cases. A principal challenge of comparative-historical research is to push the systematic comparison of cases as far as possible without pushing it to a point where it does violence to the distinctive attributes of each case. Scholarly debates on comparative research are enlivened by strong disagreements about where that point is located.

It is easy to enumerate prominent features of the national political evolution of each country that are of great relevance for this analysis and which appear conspicuously unique. For instance, in Mexico these would include the revolution and its very nonrevolutionary one-party heritage; in Uruguay the peculiar tradition of two-party politics, the reformist genius of Batlle, and the social welfare state, juxtaposed with the economic and political stagnation of recent decades. In Chile, they would include strong parties of the left located in a national political system also characterized by a strong right and deeply ingrained conservatism; and in Argentina the explosive mobilization of Peronism, its conservatization and fragmentation, and its troubled political legacy.

Any comparative analysis that did not address these distinctive attributes would fail to capture the reality of these countries. Yet it is equally obvious that a meaningful understanding of these cases cannot be gained only by dwelling on their unique traits, but must be achieved in part through a comparative assessment of the larger political issues that are fought out and the commonalities, as well as contrasts, in the political and institutional forms taken by the resolution of these issues.

Splitters and Lumpers. The problem of adequately assessing these similarities and contrasts suggests the relevance here of the distinction suggested by J. H. Hexter (1979:241–43) between two types of analysts: "splitters" and "lumpers."[14] Splitters are quick to see contrasts among cases and to focus on the distinctive attributes of each case. Their contribution is essential, since the close, contextually rich analysis they tend to produce is invaluable for understanding the cases under consideration, for bringing to light new information, for generating new hypotheses and theories, and for providing the basic data on which all comparative analysis depends. Lumpers, by contrast, have an eye for generalizations and commonalities, for fitting particular

[14] The following discussion parallels in important respects Skocpol and Somers's (1980) analysis of different approaches to comparison. Splitters generally follow their method of "contrast of contexts"; lumpers follow their method of "parallel demonstration of theory"; and the middle ground that we advocate corresponds to their "macro-causal analysis."

cases into broad categories. Their approach is likewise essential, since it plays an important role in synthesizing the details presented in case studies.

One major risk for the lumpers is the methodological problem identified by Eldon Kenworthy (1973) in his article entitled "The Function of the Little Known Case in Theory Formation or What Peronism Wasn't." Kenworthy, a specialist in Argentine politics, criticized the misuse of the case of Peronist Argentina, which at an earlier point was poorly understood by broad comparativists. These comparativists, according to Kenworthy, distorted the Argentine experience to fit it into their conceptual categories.

A variant of this problem, which has arisen in the comparative analysis of the historical periods of concern in this book, could be referred to as "the misuse of the best known case." In this instance, a general pattern for a whole region is derived from the best known case (or cases) writ large. For instance, in the analysis of state-labor relations and populism in Latin America, the experiences of two or possibly three leaders have often commanded the attention of analysts: Perón (a relatively well-known case among Latin Americanists), Vargas in Brazil, and perhaps Cárdenas in Mexico. Generalizations have too often presented a single picture for Latin America that combined elements of each of these experiences, forming a composite that ultimately corresponds neither to the original case or cases on which the generalization is based, nor to other cases to which it is applied (R. Collier 1982:98–100).

What is too often missing is an analytic middle ground between splitters and lumpers that encompasses simultaneously a concern with similarities *and* differences. In carrying out description, such an approach attempts to identify multiple patterns rather than necessarily to "lump" cases into a single type. In testing explanations, this approach employs the systematic examination of similarities *and* contrasts among cases as a means of assessing hypotheses about patterns of change.

An important concomitant of occupying this middle ground is the recognition of a crucial point: the claim that two countries are similar or different with regard to a particular attribute does not, and is not intended to, assign to them the overall status of being similar or different cases. It is relevant to underline this point because in the fields of comparative analysis and Latin American studies, when scholars engage in a carefully contextualized comparison of "whole countries,"[15] there can be a tendency to depict certain countries as "really" similar or different—to a degree that may paralyze comparative research. For instance, students of the Southern Cone commonly hold that Argentina, Chile, and Uruguay share an underlying socioeconomic structure that contrasts markedly with the rest of South America, giving a common "meaning" to the dynamics of their politics. Yet in terms of the structure of its party system, Uruguay has historically had much more in

[15] Obviously, no one really compares "whole countries," but only specific attributes of countries. This expression is used to refer to what Ragin (1987) has called the "case oriented," rather than "variable oriented," approach of comparative-historical analysis, which is strongly concerned with how each variable is embedded in its larger context within a given case.

common with Colombia than with its Southern Cone neighbors. Uruguay is not inherently more similar either to Colombia or to other Southern Cone countries. Rather, it shares with each important similarities *and* differences.

In sum, our methodological stance recognizes the contribution of both splitters and lumpers, but insists on the flexible application of a middle position that acknowledges a diversity of similarities and contrasts among any combination of cases.

Most Similar and Most Different Systems Designs. In focusing on the analysis of similarities and differences, we employ two strategies of comparison, a combination of a "most similar" and a "most different" systems design (Przeworski and Teune 1970; Przeworski 1987).[16] These two designs are "ideal types," and the matching and contrasting of cases that they posit is never perfectly achieved in any real analysis. Yet they are invaluable points of reference in constructing comparisons.

First, the overall analysis of the eight countries can be considered a most similar systems design. These eight cases are broadly matched, in that among the countries of Latin America, they have overall the longest history of urban, commercial, and industrial development, and in conjunction with this development have experienced the broad transformations in the political sphere discussed above. Further, these changes have occurred within a common regional and cultural context. Against the backdrop of these similarities, this methodological design identifies four broad types of incorporation periods and seeks to discover whether corresponding contrasts emerge in the legacy of incorporation.

Second, the comparison of countries with similar types of incorporation constitutes a most different systems design. Countries with similar incorporation experiences typically exhibited major contrasts in the pattern of socioeconomic development, the characteristics of the labor movement, and other important political attributes. The comparison within these sets of cases therefore constitutes a most different systems strategy, which juxtaposes cases that are fundamentally different in a number of respects. Within the framework of these differences, if countries that had a similar incorporation experience were also similar in terms of longer-term outcomes, then one has a stronger basis for inferring that these outcomes were indeed a consequence of the type of incorporation. The profound differences in the background variables thus serve to place in sharp relief the conjunction of similar types of incorporation period and similar outcomes.

Types of Incorporation and Country Pairs

In addition to the distinction between state and party incorporation presented above, we identify three subtypes of party incorporation. The eight countries distributed themselves among the four resulting types of incorpo-

[16] These correspond to J. S. Mill's (1974/1843) methods of difference and agreement, respectively.

ration periods in a way that placed two countries within each type. The book is thus organized around the analysis of four pairs of countries: Brazil and Chile, Mexico and Venezuela, Uruguay and Colombia, and Peru and Argentina. From the perspective of the most different systems design, it is essential to emphasize both the similarities and contrasts within each pair.

Similarities within Each Pair. The core similarity in each pair derives from the analysis of the incorporation periods, presented in Chapter 5. The cases of state incorporation, where the state sought primarily to impose new methods of control, are Brazil (1930–45) and Chile (1920–31). Among the cases of party incorporation, where the concern with control was accompanied by a major effort at support mobilization, we distinguish three subtypes. First, in Colombia (1930–45) and Uruguay (1903–16), the mobilization of workers was carried out by traditional parties as an aspect of electoral competition within an established two-party system. Since these parties were founded in the 19th century and had strong ties to the economic elite, not surprisingly this type involved the most limited mobilization of the working class, being restricted largely to electoral mobilization. We refer to this category as *electoral mobilization by a traditional party*.

The other two types of party incorporation were led by new, explicitly anti-oligarchic parties, and both involved more comprehensive forms of mobilization. In Peru (1939–48) and Argentina (1943–55), the party or movement that led the incorporation period not only engaged in the electoral mobilization of workers, but also systematically and successfully built partisan ties to labor organizations and drove out of the labor movement elements affiliated with other parties, leading us to label these cases *labor populism*.

Finally, in Mexico (1917–40) and Venezuela (1935–48), the mobilization of the incorporation period took its most comprehensive form. In the other six countries the transformations of the incorporation period were almost entirely restricted to the labor movement in the modern sector of the economy and did not encompass peasants in the traditional rural sector.[17] However, in Mexico and Venezuela the incorporation project was extended to this part of the rural sector, accompanied by agrarian reform, and therefore represented the most comprehensive assault on rural property relations and on the existing oligarchy.[18] Given the comprehensive character of the transformations launched by these incorporation periods, we refer to them as *radical populism*.

[17] We treat workers in modernized rural enclaves as being in the modern sector. A discussion of these terms is found in the glossary.

[18] As is clear in Chapter 4 and 5, in the other four cases of party incorporation, the incorporation of the peasantry and the corresponding reorganization of rural property relations were not a central feature of this period for two very different reasons. In Peru and Colombia, the oligarchy was sufficiently strong to make this an unlikely outcome, whereas in Argentina and Uruguay and extensive traditional peasantry did not exist. Hence, although within both pairs of cases (Peru-Argentina and Uruguay-Colombia) this outcome had different *causes*, its *consequences* were partially similar, as we will see in Chapters 5 and 6. Although in Argentina important reforms occurred in the rural sector, they did not encompass a restructuring of rural property relations of the kind found in Mexico and Venezuela.

Two further observations may be made about this grouping of cases. First, although these pairs are derived from a comparison of the incorporation periods, this grouping of cases had deep roots in the periods prior to incorporation and extends well beyond them. Second, it is essential to think of these types of incorporation periods as analytic categories, not as perfect descriptions of each country. Obviously, the two countries within each category are not identical in terms of the defining dimensions, but they are far more similar to one another in terms of these dimensions than they are to the countries identified with the other categories.

Differences within Each Pair. In the framework of the most different systems design, we are centrally concerned with fundamental economic, social, and political differences within each pair. These differences represent the contrasting contexts within which the analysis focuses on the similarity in the incorporation period and on the hypothesized similarity in the legacy within each pair. In three of the four pairs (excluding Mexico and Venezuela), this most different systems design juxtaposes, within each pair: (1) a more socially homogeneous, relatively urban, far more European society of the Southern Cone, which is relatively modernized in terms of per capita indicators of education, literacy, and urbanization—Chile, Uruguay, and Argentina—with (2) a more socially heterogeneous, less urban society, which has a substantial population of Indian or African extraction and which is considerably less modernized in per capita terms—Brazil, Colombia, and Peru (see Table 0.1).

Marked contrasts are also found between Mexico and Venezuela, though these contrasts have changed during the decades covered in this study. In the

TABLE 0.1
Pairs of Countries: Similarities and Differences

	Political Similarities during Incorporation Period			
		Party Incorporation		
Socioeconomic Differences	*State Incorporation*	*Electoral Mob. by Trad. Party*	*Labor Populism*	*Radical Populism*
More socially homogeneous, higher on per capita modernization indicators	Chile	Uruguay	Argentina	Venezuela[a]
Less socially homogeneous, lower on per capita modernization indicators	Brazil	Colombia	Peru	Mexico[a]

[a] This ordering of Venezuela and Mexico refers roughly to the period of the 1950s to the 1970s. In the late 19th century and the first part of the 20th century, the ordering of these two countries on several of these variables was the opposite from that reflected here (see Chapter 3), and in the 1970s and 1980s, they more nearly converged.

19th century and into the first decades of the 20th century, Venezuela was among the least developed of the eight countries. However, with the rise of the petroleum sector, by roughly the 1950s Venezuela corresponded more nearly to the first row in Table 0.1, with high levels of per capita income; whereas in important respects Mexico lagged behind. However, with Mexico's oil boom in the 1970s, it gained again on some indicators. Depending on the particular period under consideration, different contrasts therefore come into play in the comparison of Mexico and Venezuela.

Political differences within the pairs are also of great importance to the analysis. Some political differences vary consistently with the socioeconomic contrasts noted above, and others do not. For instance, given the link between patterns of socioeconomic development and the emergence of strong labor movements (see Chapter 3), the countries in the upper row of Table 0.1 generally have stronger labor movements, and those in the lower row, with greater surplus labor, generally have weaker labor movements. On the other hand, differences in type of party system are of great importance to the analysis, but do not vary consistently among the pairs. The strong parties of Chile and the weak parties of Brazil present a major contrast that is crucial for our analysis, though we will argue that in the 1960s these two countries were distinctive among the eight in the degree to which they were characterized by polarizing, multiparty politics. Similarly, it is important to distinguish the two-party system of Venezuela from the one-party dominant system of Mexico, though we label both integrative party systems.

Major parts of the book are organized around the discussion of these pairs. We juxtapose the two cases in each pair in order to explore their parallel (though certainly not identical) experiences with the incorporation periods and their legacies. At the same time, we explore contrasts within each pair.

Alternative Explanations

To assess the explanatory value of a focus on incorporation periods and their legacies, it is helpful to probe the relationship between this perspective and other explanatory approaches. Some of the most relevant of these approaches may be noted briefly here.

Many studies have explored the impact of social and economic change on the evolution of national politics in Latin America, focusing on such interrelated dimensions as differing levels of socioeconomic modernization, distinct patterns of economic development and social change, and contrasting modes of articulation with the international economy. Such explanations receive substantial attention in this book. Chapter 3 examines their impact on the initial emergence of different types of labor movements, and Chapter 4 assesses their role in the emergence of reform movements that challenged the "oligarchic state" and that in most cases launched the incorporation period. We address other aspects of the impact of socioeconomic change as well, though we hypothesize that once the incorporation periods occurred,

distinctive political dynamics were set in motion that must be analyzed in their own right and not simply as a reflection of economic and social forces.

In addition to the impact of social and economic change, transnational political developments must be considered. For instance, the diffusion of ideologies and modes of political organization had an important impact. This includes the demonstration effect of the revolutionary ideologies and models derived from the Russian and Cuban revolutions, as well as the organizational and ideological alternatives presented to the labor movement in each country by the different types of trade unionism emerging in Europe and in other parts of Latin America. The policies of foreign governments were also of great importance, particularly those of the United States. Other international actors played a role as well, such as the international communist movement, whose evolving policy had a major impact on the coalitional position not only of national communist parties but also of national labor movements, thereby strongly influencing domestic coalitional patterns. Both world wars had major ramifications in Latin America.

Piecing together these various external influences, one can picture a kind of transnational historical "grid" through which these countries passed. The grid consisted of a series of historical episodes that occurred at the international level, and the episodes within the grid can collectively be thought of as phases in what is sometimes referred to as "world historical time." Considering these episodes in chronological order, and recognizing that some may overlap, they would include (1) the decline of anarchism and the rise of alternative approaches to worker organization, including socialism, communism, and national populism; (2) the Russian Revolution and its immediate aftermath, along with the internal wage-price squeeze triggered in part by the economic impact of World War I, which precipitated in most of Latin America and in much of the Western world a dramatic wave of worker protest; (3) the international depression of the 1930s; (4) the Comintern's coalitional strategy before and during World War II of "popular frontism" and class collaboration in support of the Allied war effort that was adopted as part of the struggle against fascism; (5) the onset of the cold war after 1945, which brought a dramatic change in coalitional patterns in a number of countries; (6) the internationalization of important sectors of the economy in these countries beginning as early as the 1950s in response to new external opportunities and pressures; (7) the Cuban Revolution and the broader international climate of social protest and radicalization of the 1960s and early 1970s; and (8) the international dimensions of the reaction that sought to limit the impact of this protest and radicalization, involving the very important role of the U.S. government.

One of the fascinating issues posed by this study is the uneven relationship between these phases of world historic time and the analytic phases that are the focus of this book—that is, the periods of the oligarchic state, initial incorporation, aftermath, and heritage. We thus confront the interaction between a *longitudinal* and a *cross-sectional* perspective: between the unfolding over time within each country of phases of political change, and a

sequence of international developments that influenced all the countries at roughly the same chronological time, but often at a different point in relation to these internal political phases.

In this framework, timing is important. Depending on timing, an incorporation period may have been cut short by the impact of the depression; or, if it began later, its leaders may have had the "advantage" of appearing to offer a solution to the problems of the depression. Similarly, the conflicts of the aftermath period may have been worked out in the atmosphere of more conciliatory class relations of the later 1930s or early 1940s or in the more conflictual atmosphere of the late 1940s. Such differences had a significant impact on the patterns we analyze, and throughout the study we seek to be sensitive to this impact.

A final observation should be made about the problem of assessing rival explanations in a work of comparative-historical analysis such as this book. Research in this tradition draws great strength from its close focus on relatively few countries and from the rich treatment of cases often entailed in the construction of the complex categorical variables that are commonly employed. Yet this tradition is weaker in its capacity to address two issues that can be handled routinely with statistical analysis. Comparative-historical analysis lacks the capacity to state precisely the degree to which a given factor is a partial explanation of some important outcome, and it lacks a precise means of summarizing relationships in terms that are probabilistic rather than deterministic.

The practitioner of this approach must therefore rely on historical analysis and common sense both in weighing alternative explanations and in recognizing that the relationships under analysis are probabilistic and partial. It is in this spirit that we explore the impact of the incorporation periods: as explanatory factors that must be looked at in conjunction with other explanations and as important explanations that make certain outcomes more likely, but not inevitable.

The idea of partial explanation is crucial in the analysis of the pairs of countries. Simply because two countries had parallel experiences in the incorporation period, we would not expect that they will come out exactly the same on the relevant variables in the heritage period. Rather—as is particularly evident in the case of Chile and Brazil, where enormous differences might lead one to predict sharply contrasting trajectories of change—the hypothesized finding is that the two countries will prove to be *more similar than one might otherwise expect*. Our goal is to develop this kind of multivariate perspective in assessing our argument.

Organization of the Book

Following this Overview, Chapter 1 explicates the underlying analytic framework, drawing on Lipset and Rokkan's (1967) model of discontinuous political change that focuses on "critical junctures" and their legacies. The reader

more concerned with the discussion of Latin America than with these generic issues of discontinuous change may wish to turn directly to Chapter 2, which examines the context within which the analysis is situated by exploring basic issues of state-labor relations within the region.

Chapter 3 begins the historical analysis, assessing the events that set our story into motion: the dramatic emergence of worker organization and protest at the end of the 19th century and in the first decades of the 20th century, during the era of what is commonly referred to in Latin America as the "oligarchic state." Chapter 4 then traces the emergence of the reformist challenges to oligarchic domination. This challenge was led by elements of the middle sectors and dissident members of the traditional elite, who in all eight countries eventually launched a reform period that inaugurated the transformation of the oligarchic state. To orient the reader, Figure 0.1 provides a chronological overview of these reform periods (R), as well as of the subsequent periods discussed below: incorporation, aftermath, and heritage. The definitions and assumptions that underlie the identification of these periods are presented in Chapters 1, 4 and 5, and in the glossary.

Chapter 5 analyzes the incorporation periods, exploring the distinctive dynamics of state incorporation and of the three types of party incorporation. As can be seen in Figure 0.1, in five of the countries, the onset of incorporation and the reform period discussed above coincided, whereas in three others there was a delay before the onset of incorporation (indicated by an arrow following the "R"). The circumstances of this delay are analyzed in Chapter 4.

Chapter 6 explores what we define as the aftermath period, constituted by the initial political reaction and counterreaction to the incorporation experience. Chapter 7 then analyzes the larger heritage, focusing on the institutional arrangements forged during the period of incorporation and its aftermath. The concluding chapter, in addition to synthesizing the argument, poses the question of whether the legacy of incorporation still persists or has been superseded in each of the eight countries. This question arises both in the countries that had military governments in the 1960s and 1970s and in those that experienced continuous civilian rule.

Following the concluding chapter, the glossary defines a number of terms used in this book and presents an extended discussion of the concept of the initial incorporation of the labor movement. Readers interested in the issues of method and comparison that arise in applying this concept should refer to the glossary, as well as to the analysis of critical junctures in Chapter 1.

Within each of the historical chapters—that is, Chapters 3 to 7—the order of presentation is intended to highlight the contrasts among the pairs of countries. Thus, each of these chapters begins with Brazil and Chile, thereby establishing one pole of comparison involving the traits associated with state incorporation (or its antecedents or legacy, according to the chapter). We then examine Mexico and Venezuela, the two cases that exhibited all the key traits of party incorporation and that thereby represent the other pole of the

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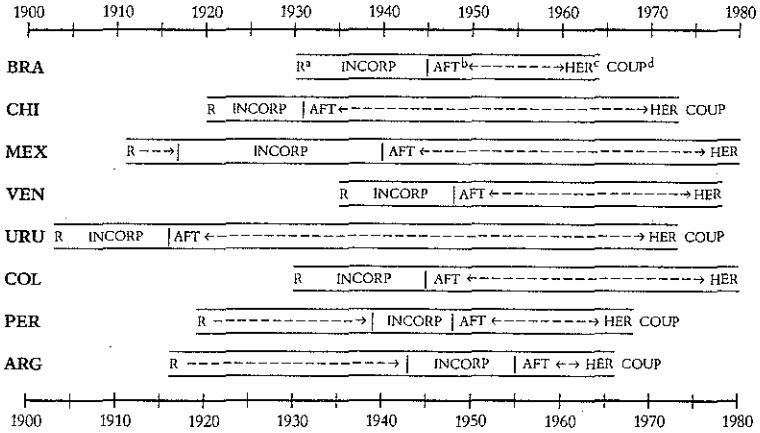
Figure 0.1 Chronological Overview: Onset of Reform Period, Incorporation. Aftermath, and Heritage



[a] R (reform period) followed by no dashes indicates that the incorporation period began immediately with the onset of the reform period. R with dashes and an arrow indicates a delay.

[b] AFT (aftermath period) refers to the immediate political dynamics following incorporation.

[c] HER (heritage period) refers to the longer-term legacy of incorporation. The heritage period encompasses most of the aftermath period, excluding only the episodes of conservative, authoritarian rule that followed incorporation in five of the cases of party incorporation. The complex issue of when each heritage period ends is explored in Chapter 8.

[d] COUP refers specifically to the major coups, which occurred in five of the countries in the 1960s or 1970s and which launched periods of military rule that interrupted the mode of party politics that characterized the heritage period. Chapter 8 asks whether the pattern of politics that reemerged after this period of military rule reflected a continuation of the heritage of incorporation.

comparison. Finally, we analyze the other two pairs, which in some important respects are intermediate cases.[19]

To encourage systematic comparison, we have presented the analysis of the eight countries in a standardized format that lends itself to the close examination of similarities and contrasts among cases. To this end, we have

[19] In the historical chapters, as a practical matter we faced the alternative of writing up the two members of each pair separately or weaving them into a single analysis. At different points we found the material lent itself more readily to one or the other mode of presentation, and we proceeded accordingly. The eight cases are presented separately in Chapter 3, which deals with the early history of the labor movement. In Chapter 4, both Brazil and Chile and also Uruguay and Colombia are presented together as pairs, and the same format is used for Brazil and Chile in the following chapters. In Chapters 4–7 all the remaining countries are presented separately, though with frequent comparison both within and between the pairs.

used a common set of headings within each chapter for most of the countries, introducing variations as needed to capture distinctive features of specific cases. These variations are particularly evident for Brazil and Chile, which, as cases of state incorporation, follow a contrasting trajectory of change.

The analysis proceeds in the following manner. In examining the emergence of working-class organization and protest in Chapter 3, we present for each country first an analysis of the socioeconomic context and then of the labor movement itself. The analysis of the reformist challenge in Chapter 4 focuses on the period of the oligarchic state, the emergence of the reform alliance, the initial transition and change of government, and the role of labor in the transition. The assessment of the incorporation periods in Chapter 5, for the cases of party incorporation, focuses on the "project from above"—that is, the goals and strategies of the leaders of the incorporation period; the "project from below"—that is, the goals and strategies of the labor movement, the political exchange on which the incorporation period was founded, the role of the party, and the emergence of opposition and polarization. For the cases of state incorporation, where there is little or no exchange, party role, or polarization, these latter three sections are replaced by a general analysis of labor policy. The analysis of the aftermath of incorporation in Chapter 6, in the cases of party incorporation, focuses on the conservative reaction, the formation of a new governing coalition in counterreaction to this conservative period, and the transformation of the party that accompanies the emergence of this new coalition. Finally, in analyzing the heritage of incorporation in Chapter 7, we first provide an overview of the party system and then systematically review for each country the reaction to the new opposition movements and crises of the late 1950s to the 1970s.[20]

The organization of the book is intended to facilitate different approaches to reading it. Readers who wish to focus on a particular analytic period in a number of countries can follow the headings for each country that correspond to the standardized subsections noted above. For readers interested in an overview of the analysis, each chapter begins with an introduction to the relevant step in the argument and provides a summary of the country patterns in that step. The write-up of each pair of countries in Chapters 5 to 7 begins with a further introduction to the pair, and Chapter 8 provides an overall summary of the argument. Finally, readers who wish to focus on a specific country should read the chapter introductions and the introductions to the relevant pair of countries as well as the appropriate country sections. For any of these approaches, readers will be aided by the Index of Countries by Analytic Period.

[20] For the countries where the heritage period as analyzed here is ended by a coup in the 1960s, this part of the analysis stops in the 1960s.

1

Framework: Critical Junctures and Historical Legacies

Two roads diverged in a wood, and I—
I took the one less travelled by,
And that has made all the difference.
—Robert Frost, "The Road Not Taken"

THE IDEA of crucial choices and their legacies, of which Robert Frost wrote, has long intrigued students of political change. Numerous scholars have focused on major watersheds in political life, arguing that these transitions establish certain directions of change and foreclose others in a way that shapes politics for years to come. Such transitions can, following Seymour Martin Lipset and Stein Rokkan, be called "critical junctures."[1]

The character of critical junctures and the perspective from which they are analyzed vary greatly. Some critical junctures, as in the choice of Robert Frost's wanderer, may entail considerable discretion, whereas with others the presumed choice appears deeply embedded in antecedent conditions. The critical juncture may involve a relatively brief period in which one direction or another is taken or an extended period of reorientation. Some analyses stress underlying societal cleavages or crises that lead up to the critical juncture, whereas others focus primarily on the critical juncture itself. Finally, some critical junctures may be seen as coming close to making "all the difference," as Frost boldly asserts in his poem. More commonly, the effect of the critical juncture is intertwined with other processes of change.

Yet underlying this diversity is a common understanding of change that is a cornerstone of comparative-historical research on development. It suggests what Paul A. David (1985:332) has called a "path dependent" pattern of change, in that outcomes during a crucial transition establish distinct trajectories within which, as he has engagingly put it, "one damn thing follows another." James Gleick (1987:8), in summarizing the version of this perspective known as "chaos" theory, captures a related feature of critical junctures in stressing the idea of "sensitive dependence on initial conditions."

To those who study revolutionary change, it comes as no surprise to suggest that political life exhibits the kind of discontinuities posited in analyses of critical junctures. What should be underlined is the extent to which this focus is widely employed in a diverse spectrum of research not concerned

[1] Lipset and Rokkan 1967:37ff.; Rokkan 1970:112ff.

exclusively, or even primarily, with revolutionary change. It plays a central role in Max Weber's analysis of the cyclical interplay between periods of continuity and sharp disjunctures—inspired by charismatic leadership—that reshape established social relations.[2] In major works of comparative-historical analysis of the 1960s, it is found in Barrington Moore's argument that within the process of modernization, different patterns of commercialization of agriculture were a historic watershed that set countries on different paths to the modern world; in Louis Hartz's comparisons of the founding of "fragment societies"; and in Alexander Gerschenkron's work on the "great spurt" in the industrialization process.[3] This perspective is central to research on the crises, sequence, and timing of development,[4] to recent studies of continuity and change in international and domestic political economy,[5] to older work on "institutionalization,"[6] to more recent work on the "new institutionalism,"[7] and to research on technological change.[8] Though the importance of this perspective is particularly evident in studies based on cross-national comparisons, it also plays a role in research on long-term patterns of change within individual countries and in studies of electoral realignment in the United States.[9] In rational-choice theory, a variant of this perspective is found in "threshold" models of collective behavior.[10]

Arguments about critical junctures have played an important role in research on labor politics. In their classic *Industrialism and Industrial Man*, Clark Kerr and his coauthors emphasize the long-term stability of the industrial relations system that was "crystallized by the leading elite at a relatively early stage" (1960:235). In Lipset and Rokkan's (1967) analysis, and to an even greater degree in the subsequent work of Carlos Waisman (1982, 1987), Gregory Luebbert (1986, 1987), and John Stephens (1986), the resolution of the working class cleavage has a profound effect in shaping national politics. Other studies have focused on critical junctures *within* the labor movement. Samuel Valenzuela (1979:esp. chap. 4) shows how the filling of "organizational space" during crucial phases of labor movement development "freezes" organizational alternatives within the labor sector; and Lipset (1983:1) analyzes how the "historic conditions under which the proletariat entered the political arena" shaped the subsequent emergence of reformist as opposed to revolutionary labor movements.

Following this tradition, the present study applies the idea of critical junctures and their legacies to the evolution of 20th century politics in Latin America, focusing on a period of fundamental change in the relationship between the state and the labor movement. This change responded to two sets of cleavages: that between workers and owners and that between workers and the state, expressed in the emergence of worker organization and protest beginning in the late 19th century; and that between the middle sectors and the oligarchy, expressed in the emergence of major reform movements in the first decades of the 20th century. Growing out of this new worker activation and these reform periods, there eventually emerged in each country the policy period we refer to as the "initial incorporation of the labor movement." This book argues that the incorporation periods constituted a critical juncture that occurred in distinct ways in different countries, and that these differences played a central role in shaping the national political arena in the following decades.

[2] E.g., Weber 1968:1111–1133.
[3] Moore 1966; Hartz 1964; and Gerschenkron 1962.
[4] Huntington 1968; Binder 1971; Grew 1978; Dahl 1971:chap. 3; Almond et al. 1973.
[5] See Krasner (1982, 1983, 1984, 1988); Katzenstein (1985); and Gourevitch 1986.
[6] Selznick 1957 and Huntington 1968.
[7] March and Olsen 1984, 1989.
[8] David 1985, 1987.
[9] Key 1955; Burnham 1965, 1970, 1974; Converse 1972, 1974; Rusk 1974; Brady 1988.
[10] See Schelling (1978:chaps. 3, 6), Granovetter (1978), and Przeworski (1986).

Historical studies of the eight countries analyzed in this book have routinely argued that the years corresponding to the incorporation periods were of great historical importance and had a major impact on the subsequent evolution of politics.[11] Yet this literature has lacked consistent criteria for identifying and comparing these periods, and the specific claims concerning their legacies vary greatly—since these studies obviously were not conducted within a common analytic framework. To date, no analysis has systematically compared these incorporation periods across a number of cases or pieced together the complex interactions among the characteristics of the antecedent political system, the incorporation period itself, and the legacy of incorporation.

This chapter establishes a common framework for analyzing critical junctures. The need for such a framework derives from the surprising lack of attention to the problems that arise in assessing arguments about critical junctures and their legacies, given how widely used this perspective is in the development literature.[12] It is easy to initially hypothesize that a set of countries passed through a crucial period of transition and that the transition occurred in distinct ways that had a profound impact on subsequent patterns of change. Yet many pitfalls are encountered in assessing the descriptive and explanatory claims contained in such an hypothesis. This chapter provides a framework for dealing with these pitfalls.

Building Blocks of the Critical Juncture Framework

A critical juncture may be defined as a period of significant change, which typically occurs in distinct ways in different countries (or in other units of analysis)[13] and which is hypothesized to produce distinct legacies.

[11] See note 1 in the Overview.
[12] Exceptions to the lack of attention to these methodological problems are found in the writing of Harsanyi (1960), Gerschenkron (1968), Verba (1971), and Krasner (1984).
[13] As noted above, this kind of framework is also used in the analysis of single countries, as in the literature on realigning elections in the United States. In single-country analyses, systematic comparisons are sometimes made; or less systematic (or implicit) comparisons

The elements in this definition may be illustrated with an example. In Barrington Moore's *Lord and Peasant*, the period of basic change is the commercialization of agriculture; the contrasts involve the varied role of different class and sectoral groups in this transition, particularly lord and peasant; and the legacy consists of different "routes to the modern world": bourgeois revolution and Western democracy, revolution from above, and fascism and peasant revolution and communism (1966:xvii, chaps. 7–9, e.g., pp. 413–14).

Thus, the concept of a critical juncture contains three components: the claim that a significant change occurred within each case, the claim that this change took place in distinct ways in different cases, and the explanatory hypothesis about its consequences. If the explanatory hypothesis proves to be false—that is, the hypothesized critical juncture did not produce the legacy—then one would assert that it was not, in fact, a critical juncture.

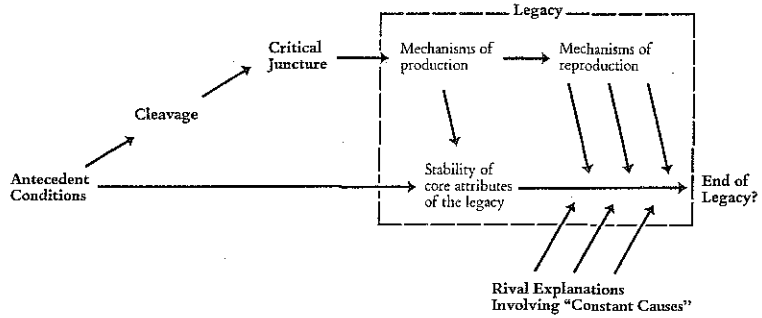
In addition to the three components contained in the definition, a number of further elements must be considered (see Figure 1.1).

1. The *antecedent conditions* that represent a "base line" against which the critical juncture and the legacy are assessed. In Figure 1.1, the arrow from the antecedent conditions to the legacy is intended to suggest the potential rival hypothesis that important attributes of the legacy may in fact involve considerable continuity and/or direct causal links with the preexisting system that are not mediated by the critical juncture.

2. The *cleavage* (or crisis)[14] that emerges out of the antecedent conditions and in turn triggers the critical juncture.

3. Three components of the *legacy*: a. *Mechanisms of production* of the

Figure 1.1 Building Blocks of the Critical Juncture Framework



are made either with other countries, with earlier historical episodes in the same country, or with "counterfactual" alternative versions of how the critical juncture under study might have occurred.

[14] In general, a crisis occurs in a delimited period of time, whereas a cleavage may exist for a long time, simply to be exacerbated in a particular period in a way that produces a crisis and a critical juncture. However, in the present analysis the emergence of the crisis and the emergence of the cleavage more nearly coincide in that the crisis regarding the role of the working class accompanied the appearance of the worker-owner, worker-state cleavage that was produced by the initial appearance of a significant working class.

legacy. The legacy often does not crystallize immediately after the critical juncture, but rather is shaped through a series of intervening steps. b. *Mechanisms of reproduction* of the legacy. The stability of the legacy is not an automatic outcome, but rather is perpetuated through ongoing institutional and political processes. c. The *stability of the core attributes of the legacy*—that is, the basic attributes produced as an outcome of the critical juncture, such as the different constellations of union-party-regime relationships analyzed in the present book.

4. *Rival explanations involving "constant causes,"* which, as we argue below, represent one of several types of rival explanation that must be considered.

5. The eventual *end of the legacy*, which inevitably must occur at some point.

Issues in Analyzing Critical Junctures

Within the framework of these elements, we will now explore basic issues that arise in the analysis of critical junctures and their relevance to the present study.

1. *Identifying Hypothesized Critical Juncture and Variations in How It Occurs.* Because it is essential to the concept of a critical juncture that it occurs in different ways in different cases, issues of establishing analytic equivalence, that are standard problems in comparative-historical research, are abundantly present in this type of analysis. The differences in how it occurred have to be large enough to produce interesting "variance," yet this variance must not be so great as to undermine the idea that it really involves the *same* critical juncture.[15]

If the critical juncture is an immediate response to an external shock—such as the depression of the 1930s, the debt crisis of the 1980s, an international wave of social protest, or a war—it may occur more or less simultaneously across a number of countries and hence may be relatively easy to identify. However, the political response even to such well-defined external events may occur quickly in some cases and be long delayed in others. Further, when the critical juncture is triggered by external forces that impinge on different countries at different times, or by internal forces that may manifest themselves at different times, the result is again that the juncture occurs in different historical contexts, among which it may not be easy to establish analytic equivalence.

Yet such differences in timing are often crucial to the analysis, since they are one of the types of variations in critical junctures that are used to account for variations in the legacy, as in Alexander Gerschenkron's (1962) analysis

[15] Przeworski and Teune (1970, pt. 2) and Sartori (1970) remain the most incisive analyses of how variations in a phenomenon can become sufficiently large as to undermine the analytic equivalence of observations across a number of cases.

of the timing of industrialization. More broadly, the challenge is to establish a definition that effectively demonstrates that potentially major *differences* among cases in the critical juncture, in its timing or in other characteristics, in fact occurred in an analytically *equivalent* period—that is, that they represent *different* values on the *same* variable.

This dilemma arose in the research for this book, since some of the presumed incorporation periods were sufficiently different from one another that we were led to examine them carefully before concluding that they should all be viewed as analytically equivalent transitions. Relevant contrasts included the difference between the corporatist incorporation periods of most countries as opposed to the pluralistic incorporation period in Uruguay. We also encountered differences in the international and historical context of the incorporation periods due to major contrasts in timing, in that the onset of these periods varied over four decades, from 1904 to 1943. Our questioning led to the extended discussion of the definition of incorporation presented in the glossary and to the close attention in the analysis of individual countries to the issue of identifying the appropriate period.

2. *How Long Do Critical Junctures Last?* Critical junctures may range from relatively quick transitions—for example, "*moments* of significant structural change"[16]—to an extended period that might correspond to one or more presidential administrations, a long "policy period," or a prolonged "regime period."[17] Such variations in duration depend in part on the immediate causal mechanisms involved, which may produce a type of change that crystallizes rapidly or gradually. A dramatic political upheaval may produce rapid change. On the other hand, some changes may be the result of the sustained application of a government policy, involving an extended period of time.

The issue of wide variations in duration is important in the present analysis. Not surprisingly, in focusing on the historical episode in which a given set of public policies is actively applied for the first time, it turns out—due to the differing political dynamics of particular countries—that the government or a series of linked governments that first sustain these policies may in some cases be in power for only a few years and in others for much longer. In the countries considered here, the duration of the incorporation period ranges from nine years in Peru to 23 years in Mexico. As long as this policy period fits the definition of the particular critical juncture—in this case, the initial incorporation period—this poses no problem for the analysis, but the issue of this fit must be examined closely.

3. *Cleavage or Crisis.* An important part of the literature on critical junctures views them from the perspective of cleavages or crises, thereby placing particular emphasis on the tensions that lead up to the critical juncture. Since these cleavages are seen as producing or generating the critical juncture, Valenzuela and Valenzuela (1981:15) refer to them as "generative" cleavages.[18] The argument of this book is that the working class mobilization and conflicts between the middle sectors and the oligarchy in the first decades of the 20th century represented generative cleavages.

[16] Cardoso and Faletto 1979:xiv.

[17] These variations in duration can raise the issue of appropriate labeling. With regard to the overall label, we retain the expression critical juncture as a reasonable compromise between alternatives such as founding moments or choice points, on the one hand, and period of transition, on the other.

If a cleavage is a central concern of the analysis, a careful examination of the cleavage itself is essential. Before testing hypotheses about the links among the cleavage, the critical juncture, and the legacy, it is useful to contextualize the analysis by exploring the meaning of the cleavage within the particular setting, raising the question of why it should be so important. In this spirit, Chapter 2 explores the social and political meaning of worker-owner and worker-state conflicts in Latin America, probing the question of why they tend to reverberate so deeply within the larger polity.

4. *Specifying the Historical Legacy.* The importance or lack of importance of a critical juncture cannot be established in general, but only with reference to a specific historical legacy. It is hardly novel to assert that one should not debate the importance of a hypothesized explanation without first identifying the outcome to be explained, yet it merits emphasis that inconsistencies in the identification of the outcome can lead to divergent assessments of the importance of the critical juncture.[19] In the present analysis, the incorporation periods are intended to explain the specific set of contrasts explored in Chapter 7 concerning party systems, associated constellations of political coalitions, and related issues of regime dynamics. In the framework of the discussion of similarities and differences among countries presented in the Overview, the fact that the countries with a similar heritage of incorporation in this specific sense differ profoundly on many other characteristics should not be taken as evidence that the incorporation periods were not highly consequential.

5. *Duration of the Legacy.* In analyzing the legacy of the critical juncture, it is important to recognize that no legacy lasts forever. One must have ex-

[18] Two alternative relationships between the cleavage and the critical juncture should be noted. First, the cleavage may be important because the activation or exacerbation of the cleavage creates new actors or groups and the critical juncture consists of their emergence. An example would be the emergence of the urban class and the organization of labor unions within the working class. Second, the cleavage may be important not because it leads to the emergence of new organized actors, but because it raises political issues so compelling as to trigger some kind of larger reorganization of political relationships. Both outcomes can, of course, occur, as in the analysis presented in this book, where the appearance of an organized working class played a central role in precipitating the critical juncture, but the critical juncture itself is identified with the state response, consisting of the initial incorporation of the labor movement.

[19] An example can be found in analyses of the critical juncture associated with the worker-owner cleavage in Europe in the first decades of the 20th century. Luebbert and Stephens place great emphasis on this cleavage, whereas Lipset and Rokkan deemphasize it and give greater causal importance to a series of prior cleavages. This discrepancy appears to be due in part to the fact that Lipset and Rokkan are explaining the emergence of modern party systems, whereas Luebbert and Stephens are concerned with explaining different trajectories of national regime evolution. The explanation of a somewhat distinct legacy leads to a contrasting assessment of this critical juncture.

plicit criteria for determining when it ends but must also be open to ambiguities about the end points. For instance, in assessing the heritage of incorporation in Brazil, Argentina, Peru, and Uruguay, we took as an end point for the analysis their military coups of the 1960s and 1970s. These coups unquestionably represent a major discontinuity in national politics in all five countries. Yet in the postmilitary periods in the 1980s, important elements of the heritage of incorporation persisted. The choice about the end point is best viewed as a matter for ongoing analysis, a theme which we address in the final chapter.

The challenge of explaining the varied duration of the legacy is also a central concern. The legacies of some critical junctures are stable, institutionalized regimes, whereas others produce a political dynamic that prevents or mitigates against stable patterns. In these cases, the "self-destruction" of the legacy may be predictable from the critical juncture, though the length of time before this occurs may vary greatly and is influenced by other factors as well. The issues raised in the Overview concerning choices between control and support mobilization in the incorporation periods, and their implications for different patterns of radicalization or co-optation in the heritage periods are basic to the stability of the legacy and represent a central concern of the analysis.

6. *Comparing the Legacy with the Antecedent System: Assessing Continuity and Change.* In addition to carefully identifying the legacy, it is essential to compare it explicitly with the antecedent system. Even in revolutions, political systems are never completely transformed, and in the study of revolution debates about continuity and change can be of great importance. The discontinuities that accompany the less drastic critical junctures of concern here are at least as ambiguous, and there is the risk that the enthusiast of the critical juncture framework may be too readily disposed to find such discontinuities. The analysis of Uruguay and Colombia well illustrates the need to consider these issues of continuity.

In some instances, one may be dealing with apparent continuities that conceal significant changes. For example, before the incorporation period Uruguay and Colombia were characterized by two-party systems with deep roots in the 19th century, in which class divisions tended to be blurred and each party had relatively stable patterns of regional and sectoral support. In the legacy of incorporation, one finds the same party system with similar characteristics. The argument is obviously not that the incorporation period created this party system. Rather, it focuses on how the existence of this type of party system shaped the incorporation period and on the specific ways in which the incorporation experience in part perpetuated, and in part modified, the party system.

Alternatively, one may find apparent differences that conceal continuities. For instance, beginning in the 1940s the Argentine labor movement was overwhelmingly Peronist, whereas previously it was predominantly socialist and communist, a major change that was the immediate consequence of the incorporation period. Yet for many decades after the 1940s, Peronism had an

ephemeral existence as a political party and consisted basically of a grouping of unions and federations that were perhaps the strongest in Latin America, but that were poorly articulated with the party system. Interestingly, this specific characterization of the post-1940s period could in fact also be applied to the pre-1940s period, when precisely these attributes were present. What is crucial about the latter period is that this outcome *followed* the incorporation period and hence reflected the failure, in contrast to the postincorporation experience of some other countries, to establish a stable political role for the labor movement.

These two examples underline the importance, throughout the analysis, of the careful assessment of continuity and change.

7. *Type of Explanation: Constant Causes versus Historical Causes.* The distinctive contribution of the critical juncture framework is its approach to explanation. It focuses on what, following Stinchcombe (1968:101–29), may be called "historical causes." Arthur Stinchcombe explains this approach by comparing two types of explanations of continuity or stability in social life: "constant causes" and "historical causes."

A constant cause operates year after year, with the result that one may observe relative continuity in the outcome produced by this cause. For instance, it has been observed that Latin American workers employed in isolated export "enclaves" commonly have a high propensity to strike, due to certain attributes of the enclave (Di Tella 1968). To the degree that there is continuity in this propensity to strike, it may be hypothesized that it is in important measure due to the *continuing* influence on workers' strike behavior of these same attributes. This is *not* the pattern of causation posited by the critical juncture framework.

By contrast, Stinchcombe's depiction of an historical cause corresponds to the intuitive understanding of critical junctures. In this case, a given set of causes shapes a particular outcome or legacy at one point or period, and subsequently the pattern that is established reproduces itself *without* the recurrence of the original cause.[20] Stinchcombe refers to the type of explanation that accounts for such a pattern of persistence as "historicist," and uses the expression "historical cause" to refer to the event or transition that sets this pattern into motion (1968:103, 118).

In addition to distinguishing between constant and historical causes, Stinchcombe emphasizes the importance of the processes that reproduce the legacy of the historical cause. These mechanisms of reproduction involve in part the fact that, once founded, a given set of institutions creates vested interests, and power holders within these institutions seek to perpetuate their own position (Stinchcombe 1968:108–18; Verba 1971:308). Stinchcombe also emphasizes the role of "sunk costs" that make the continuation of an established institutional pattern a less "expensive" option than creat-

[20] Stinchcombe (1968:102) uses the example of the emergence and persistence of Protestantism in Northern Europe. Once the events of the Reformation had occurred, Protestantism perpetuated itself and did not have to be created or caused all over again by subsequent reformations.

ing new patterns (1968:120–21). As Stephen Krasner puts it, "once a given set of institutional structures is in place, it embodies capital stock that cannot be recovered. This [capital] stock takes primarily the form of information trust and shared expectations" whose availability and familiarity reinforce the vested interests noted above (1984:235). In fact, these mechanisms of reproduction become a type of constant cause—but one that is distinctively a legacy of the critical juncture.[21]

For the purpose of our analysis, four issues concerning these mechanisms of reproduction should be underlined. First, to the extent that the outcome or legacy involves political institutions, this emphasis on mechanisms of reproduction raises issues central to current discussions of the "new institutionalism" (March and Olsen 1984, 1989) and to debates on the relative autonomy of politics. In fact, as Krasner emphasizes (1982, 1984), political autonomy is an important theme in the analysis of critical junctures.

Second, the existence of these mechanisms of reproduction and the possibility of the relative autonomy of politics—or of specific political institutions—underscores why it is appropriate to construct a critical juncture framework to begin with. This framework is concerned with a type of discontinuous political change in which critical junctures "dislodge" older institutional patterns. If these processes of reproduction and autonomy did not make institutions resistant to change, models of incremental change would be adequate. It is precisely because political structures often tenaciously resist change that we turn to the analysis of critical junctures.

[21] In addition to explicating the relationship between historical causes and constant causes, it is also appropriate to note the place of historical causes in broader typologies of different approaches to explanation, such as the distinction between deductive, probabilistic, functional, and historical or "genetic" explanation proposed by Nagel (1979:chap. 2).

An historical cause, in the sense intended here, is a particular type of genetic explanation that has a relatively "law-like" probabilistic character. Nagel defines a genetic explanation as one which "set[s] out the sequence of major events through which some earlier system has been transformed into a later one" (1979:25). In assessing genetic explanations, he rejects the idea of viewing them primarily as idiographic (concerned with unique events), as opposed to nomothetic (concerned with general laws) (25, 547–48). He observes that in genetic explanations, "not every past event in the career of the system will be mentioned," and that "those events that are mentioned are selected on the basis of assumptions . . . as to what sorts of events are causally relevant to the development of the system." At times these may be "tacit" assumptions, as in the more idiographic tradition of historical writing. Alternatively, in a more nomothetic tradition, they may involve "fairly precise developmental laws" (25). Genetic explanations may thus encompass a spectrum from more idiographic to more nomothetic approaches.

The models we are concerned with here often contain a fairly self-conscious and conceptually elaborate specification of the nature of the transition involved in the critical juncture that is open to extension to other countries or contexts. These models seek thereby to establish a pattern of explanation that, loosely speaking, may be called "law-like." Hence, the analysis of critical junctures involves a type of genetic explanation that falls more toward the nomothetic end of this spectrum. Since the laws or patterns they identify involve statements about the conditions under which given outcomes are more likely, rather than the conditions under which they are necessary consequences, this involves probabilistic explanation (26).

Third, in applying the critical juncture framework to a particular domain of analysis, it is useful to specify distinctive features of these mechanisms of reproduction in that domain. For instance, the traditional understanding of trade union politics and state-union relations suggests it is an area where a given constellation of political relationships, once institutionalized, has a strong tendency to persist. This tendency is directly discussed or strongly implied by a wide range of analyses. Familiar examples are Michels's (1959/1915) classic observations on the co-optation of labor-based socialist parties and the iron law of oligarchy; Olson's (1968) analysis of the collective action problems involved in union formation, which make coercion and state sanctions an important element in the creation and viability of trade unions; and the widely observed tendency of corporatist structures to perpetuate given patterns of union organization and of state-union relationships. These examples suggest how powerful, vested, self-perpetuating interests, embedded in sunk costs, can crystallize around prevailing patterns of union organization and state-union relations. The great importance of such elements suggests that a critical juncture framework is particularly appropriate in the analysis of trade-union politics.

Fourth, it is useful to distinguish between the mechanisms of the *reproduction* and the *production* of the legacy. There often occurs a significant interval between the critical juncture and the period of continuity that is explained by these mechanisms of reproduction. To the extent that the critical juncture is a polarizing event that produces intense political reactions and counterreactions, the crystallization of the legacy does not necessarily occur immediately, but rather may consist of a sequence of intervening steps that respond to these reactions and counterreactions. Because these intervening steps occur within the political sphere and because they follow the critical juncture, which is the point of differentiation among the cases, we consider them part of the legacy.

We therefore find it useful to refer to the dual processes of (1) the production of the legacy—involving its crystallization, often through such a sequence of reaction and counterreaction; and (2) the reproduction of the legacy, involving the process analyzed by Stinchcombe. This distinction corresponds to the contrast between the aftermath of incorporation discussed in Chapter 6 and the heritage of incorporation analyzed in Chapter 7.

8. *Rival Explanations: Constant Causes.* The core hypothesis is that critical junctures occur in different ways in different contexts and that these differences produce distinct legacies. Obviously, the assessment of this hypothesis must be attentive to rival explanations. One of the most important types of rival explanations consists of the "constant causes" discussed above, that is, attributes of the system that may contribute to the presumed stability of the legacy, but that are not the product of the critical juncture.[22] This issue arises in the present book in assessing the legacy of incorporation, an

[22] Thus, within the framework of the discussion of constant versus historical causes above, they do not include the constant causes that are part of the legacy itself.

important example being found in the explanation of the political stalemate in Argentina during the 1950s and 1960s. It is common to argue that this stalemate was a legacy of the convulsive rise of Peronism in the 1940s—that is, of the incorporation period. Alternatively, it may be due to underlying structural attributes of Argentine society and economy that both before and after the incorporation period were an ongoing, "constant cause" of the stalemate, and hence represented a rival explanation to the incorporation hypothesis. Thus, O'Donnell (1978) has argued that the particular type of primary products that Argentina exports are conducive to zero-sum policy conflicts between the rural and urban sectors, which in turn can contribute to political stalemate. Though it is difficult in any one study to evaluate a broad range of such rival explanations, this book attempts to address them when they seem particularly important.

9. *The Problem of Partial Explanations.* Some problems in the study of critical junctures are relatively standard issues in the field of comparative-historical analysis yet are of such importance in the present assessment of incorporation periods as to merit attention here. One of these concerns the issue of assessing partial explanations. This, indeed, is all that one normally expects to find in social research.

Compared to scholars who engage in multivariate analysis based on quantitative data, researchers who do multivariate analysis based on the systematic yet qualitative comparison of historical events face an interesting problem in assessing partial explanations and in making the assessment convincing. In quantitative analysis, there is no expectation that a given explanation will entirely account for a given set of outcomes, and quantitative techniques offer straightforward procedures for assessing what portion of the "variance" in the outcome is explained. Even if this is a quarter, or a fifth, or even a tenth, it is often considered a meaningful finding.

In comparative-historical analysis that deals with "whole countries,"[23] this kind of assessment runs into some of the same problems of assessing similarities and differences among cases discussed in the Overview. If two countries "look" similar in the incorporation period, the expectation in assessing the legacy of incorporation is that they should also "look" similar in the heritage period. Yet this expectation may pose an unrealistic standard that interferes with the adequate assessment of the hypothesis. If the incorporation period explains a quarter of the variation in the legacy—a substantial finding by many standards of analysis—the cases would in fact look quite different in the heritage period, and there could be risk of an erroneous rejection of the hypothesis. Thus, the criterion must be that they look sufficiently similar to suggest that the hypothesis has partial explanatory power. Employing this criterion is particularly important in the context of the most different systems design discussed in the Overview, which is based on the deliberate juxtaposition of pairs of cases that are different, such as Chile and Brazil, and Peru and Argentina.

[23] For a comment on what it means to compare "whole countries," see footnote 15 in the Overview.

10. *Other Rival Explanations: The Example of Suppressor Variables.* These problems of dealing with partial explanations in comparative-historical analysis also arise in addressing rival explanations. An example of particular importance to this study involves the potential role of "suppressor" variables (Rosenberg 1968) that conceal the relationship that one is assessing. For example, we hypothesize that the initial incorporation period in Brazil occurred in a way that weakened the role of parties in controlling and channeling the political participation of the labor movement, thus potentially leading to higher levels of worker politicization and radicalization. Yet Brazilian social and economic structure (e.g., the labor surplus economy and the minimal role of isolated, highly modernized export enclaves) was not conducive to a strong labor movement. Hence, it could be argued that the level of worker politicization was likely to be low, and the assessment of our hypothesis must focus on whether, given this low level, it was nonetheless *higher* than it would otherwise have been, due to the type of incorporation period. In multivariate quantitative analysis the effect of these different factors can be sorted out in a relatively straightforward manner. In comparative-historical analysis, a more subtle and subjective assessment is required, which includes the procedure of process tracing discussed in the Overview.

Conclusion

Our goal has been to identify issues commonly encountered in the analysis of critical junctures. Though it makes sense intuitively that societies go through periods of basic reorientation that shape their subsequent development, too little attention has been devoted to the problems that arise in assessing claims about the scope and nature of this impact. To make this assessment more adequate, one must devote careful attention to the identification of the critical juncture and the legacy, the comparison with the antecedent system, the distinction between constant and historical causes, the mechanisms of production and reproduction of the legacy, various kinds of rival explanations, and special problems of assessing the impact of critical junctures in the context of comparative-historical analysis.

Finally, a basic point should be reiterated. In an analytic framework that contains many elements, it is essential that these elements be examined with care. At the same time, it is also crucial that the main idea not slip from view. The goal of presenting these several criteria of assessment is to strengthen the test of the core hypothesis: that the critical juncture occurred in different ways and that these differences were highly consequential. In the present book, this hypothesis concerns the long-term impact of different types of incorporation periods. The goal of providing this framework for the analysis of critical junctures is to better assess this core argument about the transformation of Latin American politics.

2

Context: The Labor Movement and the State in Latin America

WE HAVE hypothesized that the emergence of the labor movement in Latin America, along with the forging of new patterns of state-union relations during the incorporation periods, had a major impact on the subsequent evolution of national politics. Why should this transition be so important? Why should the emergence of and response to working-class conflict have a major impact? Analysts of many different actors both in society and within the state are often adept at interpreting and explaining larger patterns of political change from the "angle" of the particular actor they study. Indeed, any larger picture of change can usefully be viewed from many different angles. Why, then, should the labor movement be of particular significance?

We argue that in crucial phases of Latin American development, labor politics has been a kind of coalitional "fulcrum." In different countries and different historical periods, organized labor has been a pivotal actor, and the choices made by other actors in positioning themselves vis-à-vis organized labor have had a crucial impact on national politics.

This idea is expressed subtly but pointedly in Alexander Wilde's analysis of the breakdown of Colombian democracy in the 1940s, an instance that nicely illustrates our argument as a kind of "crucial case" because it is one with a labor movement that was conspicuously weak. Wilde suggests that despite their weakness, the unions in Colombia contributed to democratic breakdown because their presence in coalition politics of this period was "constantly unsettling." They could force the political party with which they were then mainly identified, the Liberals, to "support or repudiate them," and in the process seriously strained the Liberals' commitment to the basic rules of the political game (Wilde 1978:45). Obviously, if the coalitional presence of unions can be constantly unsettling in a country where they are weak, they potentially play an even more central role in countries that have stronger labor movements.

Why should the coalitional presence of unions in crucial periods of change be "constantly unsettling"? Why should the labor movement be a coalitional fulcrum or a pivotal actor? What understanding do we have of labor politics in Latin America that allows us to build on the answers to these questions and to construct an argument about the larger political impact of the labor movement?

This chapter addresses these questions. We first examine general arguments about the political significance of the labor movement in Latin America, focusing on its strategic importance in the economic and political sphere

and its potential role in legitimating or delegitimating the state. We then explore further the theme raised in the Overview concerning the choices of actors within the state regarding strategies of labor control and labor mobilization, along with the complementary choices on the side of actors within the labor movement regarding strategies of cooperation or noncooperation (the traditional anarchist position) with the state. In discussing these strategies, we introduce the idea of a "dual dilemma" that underlies the interaction between these two sets of choices. This interaction is explored further in the context of a discussion of corporatism, the concept commonly used to describe many of the principal institutions of state-labor relations in Latin America.

Political Importance of Labor Movement

The political importance of the labor movement may be looked at both from the perspective of its capacity for collective action and in terms of the special significance of this capacity in bestowing political support and mobilizing opposition.

Capacity for Collective Action. The location of many unionized workers in spatially concentrated, large-scale centers of production and/or their strategic position at critical points in the economy or the polity gives them an unusual capacity to disrupt the economic and political system and hence provides incentives for sustained collective action. This capacity is fundamental to organized labor's political importance.

The contexts of work conducive to collective action are analyzed in the next chapter. They include: (1) isolated "enclaves" of export production, along with related networks of transportation and communication, that are crucial to the prosperity of the export sector in a number of countries and that can easily be paralyzed by strikes; (2) large-scale urban factory production located in close proximity to the centers of national political power in what are in many cases highly centralized polities, where strikes can have a dramatic impact on the political system; and (3) the most dynamic sectors of the urban industrial economy, which may employ fewer workers due to their more capital-intensive form of production, but where labor stability and rapid growth are commonly viewed by economic and political leaders as crucial to economic development. The paralysis of this latter sector through strikes is therefore an important economic and political event, and the use of repression to control strikes may be especially problematic because of its effect on the skilled labor force in this sector and the greater difficulty of replacing skilled workers. If the workplace is owned by a foreign enterprise, sentiments of nationalism can provide strong ideological support for collective worker action. In both foreign-owned and public sector enterprises, the potential negative political ramifications of the extensive use of repression may be greater than in nationally owned firms in the private sector. In sum, many workers are situated at points in the process of production that give

them opportunities for collective action that may potentially have a considerable impact.

Political Significance of Worker Organization and Protest. Many authors argue that the collective action of workers has special political significance in the Latin American context. James L. Payne's (1965) widely noted thesis on "political bargaining" in Latin American labor relations suggests that in labor surplus economies such as those in many Latin American countries, unions' often weak position in the sphere of collective bargaining pushes them into the political arena. Further, in the relatively centralized political systems characteristic in much of Latin America, the national executive often quickly becomes involved in labor disputes, and key actors may commonly believe that the executive can and should "do something" about these disputes. Given this expectation, the failure to contain worker protest can threaten the stability of the national executive.

Other discussions view the political significance of workers' collective action in terms of its importance for the legitimation of the state (Waisman 1982:ix). The specific form of these arguments varies, but the recurring theme is the implicit or explicit comparative thesis that basic elements central to the legitimation of the state in some earlier-developing European countries are absent or incomplete in Latin America and that unions play a central role in efforts to compensate for this deficiency.

Part of the argument about incomplete legitimation revolves around the hypothesis that in the 20th-century world of nation states, the fundamental dependency of Latin American countries on the international economic system, the cycles of denationalization of their economies that occur as an aspect of this dependency, and the prominent role of foreign enterprises in economic development makes the legitimation of capitalism and of the capitalist state more problematic than in contexts where development is nationally controlled to a greater degree (Hirschman 1979:90–93). As Corradi (1978) put it, due to their external dependency, Latin American societies are chronically "decentered" in the economic sphere.

Alternative perspectives that provide a link between incomplete legitimation and issues of worker politics appear in O'Donnell's analysis of the "mediations" between state and society and Corradi's discussion of the political consequences of this decentering. O'Donnell (1977, 1979, 1982) suggests that given the uneven record of free elections and the problematic status of civil liberties in many Latin American countries, the mediation of citizenship has had a troubled history in the region, and two other mediations have played a larger role: nationalism and "populism."[1] Corradi makes a parallel argument

[1] O'Donnell refers to this third mediation in Spanish as the *pueblo* or *lo popular*. These terms are difficult to translate, since the most nearly equivalent terms in English—*people* and *popular*—have different connotations. Hence, we have used the term *populism*. In O'Donnell's analysis, these Spanish terms refer to a form of collective identity of previously marginalized sectors of the population "whose recognition as members of the nation came about through their demands for substantive justice, which they posed not as oppressed classes, but as victims of poverty and governmental indifference, who, moreover, embodied what was most authentically national" (1982, chap. 1).

in analyzing the consequences of economic "decentering." In reaction to this decentering, the political sphere is "the domain in which a society that has no control over its own destiny tries to repair the ravages of foreign domination." Thus, "culture and politics seek to integrate, from inside dependent societies, what economic power operating essentially from abroad, tends to disintegrate. This attempt at integration is what gives Latin American culture and politics their peculiar flavor. It is expressed most distinctively in 'populist' movements" (1978:41). Corradi also notes that in contrast to the postulated dependence of the economic sphere, these expressions of populism in the cultural and political sphere can exhibit an important degree of autonomy from economic forces. His argument about autonomy is consistent with the perspective we adopt in stressing the distinctive dynamic surrounding the political dilemmas of state-labor relations.

A further variant of this perspective on incomplete legitimation is found in the thesis that labor's importance is greater because Latin American development has not produced a strong national capitalist class. An early version of this argument was presented by Leon Trotsky in the late 1930s while he was living in exile in Mexico. Reflecting on the coalitional dilemmas of the political systems found in dependent, "semi-colonial" economies, Trotsky observed that "inasmuch as the chief role in backward countries is not played by national but by foreign capitalism, the national bourgeoisie occupies . . . a much more minor position." He argued that, as a consequence:

> The national proletariat soon begins playing the most important role in the life of the country. In these conditions the national government, to the extent that it tries to show resistance to foreign capital, is compelled to a greater or lesser degree to lean on the proletariat. On the other hand, the governments of those backward countries which consider it inescapable or more profitable for themselves to march shoulder to shoulder with foreign capital, destroy the labour organizations and institute a more or less totalitarian regime. (Trotsky 1968:10)

Though coalitional alternatives in Latin America are certainly more complex than this, Trotsky's observations usefully suggest that the tension in labor policy between a concern with the mobilization of labor support and with labor control can take a particularly acute, politically charged, form.

The crucial point for present purposes is that the organized working class is one of the most important "bearers" of the mediations and political symbols relevant to the problem of legitimacy. In O'Donnell's terms, the segment of the population that is by definition the bearer of the mediation of *lo popular* and also an important bearer of the mediation of nationalism is commonly referred to as the "popular sector."[2] With obvious variations across

[2] The popular sector may be defined as the urban and rural lower class and lower middle class. This is obviously not a traditional Marxist class category. For an exploration of some of these issues, see Laclau (1977).

countries and over time, the two most important actors within this sector are the organized labor movement—due to its special capacity for collective action discussed above—and, in some very important cases, an organized and politically mobilized peasantry. Populist appeals have of course been made to other segments of the popular sector, and beginning in the 1970s new forms of popular social movements based in the informal sector appeared to assume a larger role in Latin American politics. Yet over a number of decades in the 20th century, though obviously with major contrasts in their relative importance in different countries, these two principal segments of the urban and rural popular sectors—the labor movement and the peasantry—have produced the most important organized expressions of these mediations.

By securing the visible cooperation of the organized labor movement, the state can take an important step toward addressing problems of legitimacy. Alternatively, the labor movement can be a principal vehicle for protest against state policy and such protest can hurt the legitimacy of the state. With reference to the policies that raise issues of nationalism and antinationalism, unions can be either an invaluable resource for governments that wish to take nationalistic initiatives, or an important adversary of governments that reject such policies.

In sum, the collective action perspective calls attention to unions' concrete capacity to bestow support or generate opposition. The perspective that focuses on nationalism, populism, and legitimacy suggests why the collective action of workers becomes a potent force in Latin American politics, and why state responses to worker protest likewise become a pivotal domain of policy. These two perspectives offer a clearer basis for understanding why the coalitional role of labor can be "constantly unsettling," as Wilde put it. It can be constantly unsettling because labor not only has this substantial capacity for collective action, but because its collective action touches on larger, underlying issues of Latin American politics.

Putting State-Labor Relations in Perspective

At the same time that we emphasize political importance of the labor movement, we also wish to place labor politics in a realistic perspective by raising four points concerning the relation of the "formal" to the "informal" sector of the economy, the issue of the homogeneity versus heterogeneity of the labor force in the formal sector, the relationship between state-labor and capital-labor relations, and a recent challenge to arguments, such as that presented above, that focus on legitimacy.

Formal and Informal Sector. Studies of the urban working class quite properly see the labor movement and unions as just one part of a complex world of work, and these studies at times express concern over an excessive focus on the organized labor movement. As one explores claims about the political importance of the labor movement, it is essential to be clear about what sector one is considering.

Spalding (1972:214) urges caution in not overstating the importance of organized labor in Latin America, noting that "despite the existence of huge confederations, sometimes grouping more than a million members on paper, only about 15% of the economically active population belongs to a union. . . . The industrial sector, usually the focus of militant labor organization, represents only approximately 30% of the salaried population." Sofer (1980:175) presents similar arguments, suggesting that "studies of political parties and trade unions . . . focus attention on a minority of workers and give short shrift to the unorganized."

Obviously, it is not productive to base an argument about the political importance of unions on a simplified notion that they include most of the labor force or are in some sense "representative" of the larger urban working class, encompassing unorganized workers and the informal as well as the formal sector. It is also essential to recognize the large contribution of studies reflecting the concerns of the "new labor history" in shedding light on this larger world of work in Latin America and its impact on societal change.

Far from maintaining that the labor movement represents this larger world of work, we adopt the perspective of Portes and Walton (1975:103–4), who differentiate sharply between the formal and informal sectors, treating them as different classes with distinct interests and distinct relationships to other classes within society. This "class differentiation" within the broader "working class" resulted in important measure from the special capacity for collective action of specific segments of the working population. The formal sector emerged as the product of the political demands of these segments of the working class and of state policies that responded to, or sought to preempt, these demands, leading to the creation of a formal, regulated, "high-wage" sector of the labor force that became differentiated from the more "traditional" informal sector (Portes 1983). Thus, the formal sector was created by politics and public policy, and its existence is in part an expression of the political importance of the labor movement. In addition, one of the major policy periods in which these policy initiatives occurred was, of course, what we call the incorporation period. Thus, the present study can be understood as an analysis of an important aspect of the genesis of the formal sector of the economy and of the ramifications of this genesis for the larger evolution of politics.

Homogeneity versus Heterogeneity. A second point of caution regarding the political importance of the labor movement concerns the relationship between the labor movement and the larger context of work within the formal sector. Jelin observes that studies of the working class that focus at the level of unions and union politics tend to see the working class as a more homogeneous actor,[3] whereas studies focused on the labor force within the workplace tend to see the working class as more heterogeneous. In research

[3] This thesis was explored in depth in a public lecture given by Jelin at the Institute of International Studies, University of California, Berkeley, in 1981.

on union politics, there is a risk of misrepresenting the diversity and complexity of the unionized sector of the work force.

This tension between homogeneity and heterogeneity raises issues that are both methodological and substantive. They are methodological in the sense that the level of analysis influences what is observed. A macro study of national trade union politics is indeed more likely to focus on the overall characteristics of the "forest," whereas a micro study of one or a few specific contexts of work tends to focus on the characteristics of individual "trees." From the first perspective, the forest looks more homogeneous; from the second, much less so. Both perspectives are needed to advance the understanding of Latin American labor, as they are in the analysis of any topic.

In addition, a substantive issue is involved, in that union formation and state-labor relations have an impact on these realities of homogeneity and heterogeneity. It is certainly the case that there is a high degree of heterogeneity within even the organized sector of the labor movement. However, it is worth noting that both in the course of initial union formation and subsequently, labor leaders and labor organizations seek to homogenize the labor movement as they attempt to bring it under their own leadership (S. Valenzuela 1983), trying to standardize conditions of work, units of collective bargaining, and often the political orientation of unionists. This homogenization is also pursued by actors within the state. Both the initial incorporation projects and subsequent state policy toward labor represent in part a systematic effort to standardize and homogenize the labor movement and relationships of work. Thus, a process of aggregation and homogenization is integral to the evolution of labor leadership, of union organization, and of state-union relations. At the same time, changes in the nature of work, changes in the labor movement, and many other factors may disaggregate, make more heterogeneous, or even destroy existing patterns of labor leadership, labor organization, and state-union relations.

In attempting to adopt an interactive approach to the relationship between the labor movement and political structures, we seek to be sensitive to both the methodological and substantive side of this issue. Thus, in analyzing union politics, we recognize that: (1) we are focusing only on one segment of the labor force, the formal sector; (2) this sector was created by politics and public policy in response to labor activation; (3) although there is always a risk that a focus on union politics can lead the analyst to see the labor movement as more homogeneous than it really is, such homogenization is inherent to the functioning of unions and state-labor relations and indeed is central to the topic of this book; and (4) at the same time that those who benefit from this homogenization will seek to defend the institutions that support it, others who benefit less may seek to modify or undermine these institutions. It is in part because of recurrent attempts to undermine these institutions that the legacy of episodes of labor policy such as the initial incorporation periods are often sharply contested.

State-Labor versus Capital-Labor Relations. A third issue is the relative significance of state-labor relations, the central focus of this analysis, as opposed to capital-labor relations.[4] One perspective suggests that in Latin America state-labor relations may in fact be more important than employer-labor relations. This thesis is central to J. Payne's (1968) argument about political bargaining. Payne maintains that due to labor's weak position in the labor market and greater leverage in the political arena, a pattern of industrial relations emerges in which political bargaining is more important than collective bargaining as a means of pursuing labor gains. The implication is that to a greater degree than in the advanced industrial economies, state-labor relations are the crucial arena of interaction, rather than employer-labor relations. Goodman (1973:21) likewise underlined the paramount importance of the state in shaping labor relations in Latin America, though he stresses that in distinct historical periods and different countries, the form taken by state-labor-manager relations is diverse.

However, as Roxborough (1981:84–85) has pointed out, the degree to which the state plays a larger role in labor relations in Latin America than in the advanced industrial countries can easily be exaggerated. Further, with reference to Payne's argument about political bargaining, it is possible to suggest that instead of positing a tradeoff between the strength of labor organizations in the workplace and their strength in the political arena, one should think in terms of a complementarity between these two dimensions. By virtue of being a weak economic actor, labor may also be a weak political actor; or at the very least, a political actor deprived of the clout that comes from economic strength.[5]

The argument we wish to present does not depend on the thesis that state-labor relations are more important than state-capital relations. Rather, it makes more sense to argue that state-labor relations revolve in part around the distinctive political dynamics of support and legitimation discussed above, and that they therefore merit substantial attention in their own right. Bendix (1964:72–73) makes a parallel point in analyzing the earlier history of advanced industrial countries, suggesting that the initial emergence of labor movements and labor protest was fully as much a political issue as an economic issue. This political issue is our central concern.

Legitimacy. Part of the argument about the political importance of the labor movement has focused on its role in contributing to, or undermining, legitimacy. Before embracing this perspective, it is appropriate to consider Przeworski's (1986:50–53) important challenge to analyses of regime change which focus on legitimacy. Przeworski argues that "the entire problem of legitimacy is . . . incorrectly posed. What matters for the stability of any regime is not the legitimacy of this particular system of domination but the presence or absence of preferable alternatives" (51–52).

[4] In countries and historical periods where a large public sector is unionized and the state is the owner of enterprises, these categories obviously overlap. But in many decades earlier in this century that are of central concern to this analysis, public ownership of enterprises was more limited and public sector unions were considerably less important within the labor movement.

[5] Albert Fishlow, personal communication, suggested this observation.

Przeworski has thus presented an invaluable challenge, which points to the need to analyze regime change at a more concrete level. The key question that must be addressed in responding to this challenge is the following: what are the attributes of given political "alternatives" that lead key actors to view them as "preferable"? It is evident that in the Latin American context, the identification (or conspicuous lack of identification) of the symbols of nationalism and populism with given regime alternatives can play a crucial role in defining these alternatives as desirable or undesirable. In addition, labor politics plays an important role in this process of definition. Therefore, even accepting Przeworski's framework, these symbolic dimensions of labor politics can be seen as closely linked to regime dynamics.

To conclude, arguments about the labor movement's political importance are complex and need to be made in light of the issues and challenges just discussed. However, within that framework there is substantial ground for viewing the labor movement as a powerful political actor in Latin America and for using the analysis of labor politics as a perspective from which to explore broader issues of political change.

Control, Support, and the Dual Dilemma

In light of the labor movement's political importance, it becomes clearer why, in distinguishing among types of initial incorporation, we have focused on the varying degree of emphasis on control and support mobilization. Having the capacity to control the labor movement is a major political asset, as is the capacity to mobilize labor's political support. Similarly, the lack of either of these capacities can be a major political liability.

In the analysis of such assets and liabilities, it must be recognized that the relationship between control and support mobilization is complex, even if the matter is looked at only from the side of the state. If one's perspective also encompasses the strategies adopted by the labor movement, the matter becomes even more complex.

This complexity may usefully be viewed in the framework of a "dual dilemma" in the relationship between the state and organized labor. From the standpoint of leaders who shape state policy, the dilemma concerns this choice between the option of controlling labor and seeking to mobilize labor support. On the side of the labor movement, the dilemma concerns the choice between cooperating with the state or resisting such cooperation, as well as the related choice between entering or not entering into the sphere of partisan politics.

Dilemma from the Standpoint of the State. From the perspective of political leaders who shape state policy, the emergence of the working class raises explosive issues of how to control this powerful new force within society, but it also presents the opportunity to mobilize new bases of political support. Both of these options can be compelling.

The state in Latin America has been and continues to be centrally concerned with controlling organized labor and limiting its political and economic strength. This control is a central issue in capitalist development and ultimately involves what O'Donnell has referred to as the issue of maintaining "cellular domination" in society, that is, the basic capacity of capital and the state to regulate the functioning of the economy in the workplace (1982:chap. 1). Historically, the growth of the state's concern with the control of labor was closely connected with the long-term erosion of more traditional systems of private, clientelistic control of workers in the course of modernization.[6] In the context of this erosion, the emergence of an organized working class poses a basic challenge to the existing distribution of economic and political power, a challenge that we explore in some detail in the next chapter.

At the same time, the option of cultivating labor support can be compelling. Political divisions even within a relatively narrow political elite may encourage a more progressively oriented faction to increase its power through building labor support, following a pattern of mobilization as an opposition strategy (Schattschneider 1960). Governments that adopt nationalistic economic policies commonly find labor support highly compatible with this policy orientation.

However, such efforts at support mobilization characteristically involve sharp disjunctures in political coalitions that may produce intense conflict, making them potentially risky to initiate and difficult to sustain. To use again Wilde's phrase, the constantly unsettling character of this dilemma is reflected in the fact that the reaction to "pro-labor" policies and to the mobilization of workers as a support base has been a central issue triggering many of the most dramatic regime changes in 20th century Latin America.

Dilemma from the Standpoint of Labor. Labor's side of the dual dilemma consists of the tension between a conception of the political sphere as an essential arena for the defense of workers' interests and the concern that participation in politics will corrupt and co-opt unions and union leaders. The dilemma centers around whether unions should play a broader political role, either by establishing labor parties as political arms or by forming coalitions with other sectors.

One aspect of the dilemma for labor is the issue of cooperation with the state. From its early anarchist tradition, the labor movement has been aware of the risk of co-optation and control that can result from such collaboration. However, the failure to collaborate can leave labor without allies, influence, and access to policymakers and public agencies. It entails foregoing the opportunity to establish an exchange relationship that can yield important benefits. The attraction of these benefits is particularly great in situations like those in early 20th-century Latin America, when the conditions of work left labor in a weak position and when the alternative was often repression.

[6] Obviously, clientelistic forms of control and other forms of clientelistic relationships persist, yet they are supplemented by new forms of control and political articulation. See Kaufman (1977a).

A variant of the dilemma concerns the link not just to the state, but to political activity and political parties more broadly—the issue of whether or not to enter the political arena and seek political office. Again, the dilemma derives from the influence that can be gained by winning public office—if only in a minority and opposition status—versus the risk of subordination of the union movement to the political logic of party politics and elections.

In fact, within Latin America the apolitical alternative has seldom been viable. This is due in part to labor's often weak position in the workplace, to the ability of the state to influence labor with both carrots and sticks, and to Comintern policy, which at important moments mandated cooperation with the state for the communist sector of the labor movement. Nevertheless, both in theory and in practice, the dilemma between autonomy and the advantages that can be gained through political participation, including at times state protection, is a real one.

Relative Impact of the State's Choices and Labor's Choices. How important are the state's choices, as opposed to labor's choices, as they resolve their respective sides of this dual dilemma? The answer depends on what specific outcome is to be explained—that is, important for what?

If one wishes to explain why the incorporation periods occurred to begin with, it was obviously because a working class emerged, constituted itself as a labor movement, and often decided to challenge, rather than cooperate with, the state. On the other hand, if one wishes to explain why the incorporation periods took the specific form they did in each country, the answer will focus more centrally on the dynamics of intraelite politics and choices by actors within the state, although at various points choices made within the labor movement were also important.

In the countries identified in the Overview as cases of state incorporation, characterized by a sustained attempt to control and depoliticize the labor movement, the incorporation period was imposed on labor, with repression when necessary. Hence, the strategies of the labor movement toward cooperation or noncooperation with the state were of marginal relevance to the form of incorporation. On the other hand, labor's reaction became very important in the aftermath of incorporation.

In the cases of party incorporation, the political logic from the standpoint of leaders acting within the state was again crucial, but the strategy of labor was more central, and the incorporation period must be seen as the outcome of the interaction between the two sides of the dilemma. To address the labor movement's demands and overcome its reluctance to cooperate, actors in the state seeking to mobilize labor support at times had to pursue prolabor policies more aggressively than they otherwise would have, as the price of securing cooperation and support.

To capture this interaction in our analysis of the incorporation period in Chapter 5, we begin the discussion of each country by examining the goals of actors within the state (i.e., the project from above) and then explore the goals of leaders of the labor movement (i.e., the project from below). The discussion then proceeds to explore the interplay between these two projects.

An Interactive Perspective on Corporatism

Given the utility of an interactive perspective on state-labor relations, it is useful to go one step further and show how the social science concept—and the political practice—of corporatism can be understood from this perspective. State-labor relations in Latin America have been widely interpreted as corporative.[7] In most of the countries considered in this study, the dual dilemma unfolds within this corporative context, and the policy instruments employed by the state as it addresses the dual dilemma are in part the instruments of corporatism. This is especially true in the initial incorporation periods, one of the most important historical episodes in which corporative structures were introduced.[8]

Components of Corporatism.[9] We have elsewhere defined state-group relations as corporative to the degree that there is (1) state structuring of groups that produces a system of officially sanctioned, noncompetitive, compulsory interest associations; (2) state subsidy of these groups; and (3) state-imposed constraints[10] on demand-making, leadership, and internal governance. Corporatism is thus a nonpluralist system of group representation. In contrast to the pattern of interest politics based on autonomous, competing groups, in the case of corporatism the state encourages the formation of a limited number of officially recognized, noncompeting, state-supervised groups.

Though at times it may be useful to view corporatism as a single syndrome of political relationships, to pursue these issues of control and support mobilization it is helpful to disaggregate the concept. The creation of corporative frameworks for shaping labor movements occurs in the context of very different relationships of economic and political power—as was already suggested in the typology of incorporation periods in the Overview—and this diversity suggests that there may be variations and subtypes of corporatism. In fact, some corporative provisions bestow advantages upon the labor organizations that receive them, whereas others do not. Important organizational benefits are bestowed both by provisions for the structuring of unions (such as official recognition, monopoly of representation, and compulsory membership) and also by the subsidy of unions. These provisions are quite distinct

[7] O'Donnell 1977; Kaufman 1977a; Collier and Collier 1977; Wiarda 1976; Erickson 1977; Harding 1973; Schmitter 1971, 1974; Mericle 1977; Córdova 1974; Reyna 1977; Corradi 1974; Petras 1969.

[8] This generalization does not apply to Uruguay, where the incorporation period was pluralistic rather than corporative. At the level of corporative labor legislation, it likewise does not apply to Peru. Due to the legislative paralysis at the height of the incorporation period in Peru, little labor legislation was passed. However, in other respects a corporative pattern was followed in Peru, and in both Peru and Uruguay the larger ideas about political exchange developed below are relevant (see Chapter 5).

[9] The following discussion draws on Collier and Collier (1979).

[10] We deliberately use the expression "constraints" to refer to these specific provisions, employing the term "control" more broadly, as in the above discussion.

from the constraints, which directly control labor organizations and labor leaders.

The idea that structuring and subsidy are benefits is supported by more general research on political organizations, which suggests that these provisions do in fact address basic organizational needs of labor unions.[11] These include the need to compete successfully with rival groups that seek to represent the same constituency; the need to be recognized as the legitimate representative of their constituency in dealings with other sectors of society; the need to recruit and retain members; and the need for stable sources of income. Because structuring and subsidy help meet these needs, they confer significant advantages to the unions that receive them.

Although these provisions may be of value to any interest association, two of them meet special organizational needs of unions. Provisions for compulsory membership have long been seen as crucial to the formation of unions, and their importance becomes clear in the problems of collective action that arise when strikes are conducted by individuals associated with two basic factors of production: capital and labor. Individual capitalists can protest the direction of economic or political change simply by failing to invest. They do not require collective organization to carry out what might be thought of as a "capital strike," and hence to have a major political and economic impact. Labor is far more dependent on collective action if it is to influence the economy and the polity. Further, whereas capitalists can consume rather than invest, the immediate economic hardship to individual workers who withdraw their labor is necessarily much greater, reducing the incentive to make such a decision on an individual basis and further increasing the need to aggregate individual decisions in order to undertake such a withdrawal (see Offe 1985). Hence, corporative provisions for compulsory membership that enforce participation in certain forms of collective behavior have a special value for unions.

Second, because unions bring together individuals of low income,[12] the problem of financial resources is far greater than it is for the interest associations of capitalists or many other groups. Hence, provisions for the subsidy and financing of unions are particularly important.

Inducements and Constraints. Though structuring and subsidy thus provide important organizational benefits to unions, one must understand the political context in which these provisions appear in order to interpret their significance. As we have emphasized, corporative policies toward organized labor in Latin America have been introduced from above by political leaders acting through the state who have used these policies to help them pursue various goals, including the effort to control the behavior of the labor movement and/or to win its political support. It therefore seems appropriate, at least within the Latin American setting, to view structuring and subsidy not

[11] Bendix, 1964: 80–97; Olson, 1968:chap. 3; Wilson:1973:chap. 3.

[12] This is true especially in the early phase of the labor movement before the emergence of middle-class unions. Obviously, the working-class unions may include a "high wage" sector, but relative to capitalists, members' incomes are low.

simply as benefits but as inducements through which the state attempts to persuade organized labor to support the state, to cooperate with its goals, and to accept the constraints it imposes. In this context, corporatism may thus be viewed as an exchange based on an interplay between inducements and constraints.[13]

However, though one can distinguish between inducements and constraints, they are not diametrically opposed phenomena. This point brings us back to the theme raised above: the idea that state efforts at imposing control and mobilizing support can be, in their ultimate consequences, interconnected in complex ways. Analysts of power and influence such as Lasswell and Kaplan (1950:97–98) and Gamson (1968) distinguish between inducements and constraints but view both as mechanisms that serve to influence behavior. Constraints are seen as producing compliance by the application, or threat of application, of negative sanctions or "disadvantages." Inducements, by contrast, are offered to produce compliance by the application of "advantages" (Gamson 1968:74–77). In this literature, inducements are viewed as mechanisms of co-optation. As such, though they involve "advantages," they can also lead to social control.

The dual character of inducements is evident in the specific mechanisms of structuring and subsidy discussed above. These inducements may, like the constraints, ultimately lead to state penetration and domination of labor organizations, for at least three reasons. First, an inducement such as monopoly of representation by its nature is offered to some labor organizations and withheld from others. This provision has commonly been used in Latin America to undermine radical unions and promote those favored by the state. Second, unions receiving inducements must commonly meet various formal requirements to receive them. Finally, the granting of official recognition, monopoly of representation, compulsory membership, or subsidy by the state may make the leadership dependent on the state, rather than on union members, for the union's legitimacy and viability. This dependency may encourage the tendency for labor leadership to become an oligarchy less responsive to workers than to the concerns of state agencies or political lead-

[13] This conception of an interplay between inducements and constraints is consistent with standard discussions of the dialectical nature of state-labor relations in Latin America. Goodman (1972:232) has interpreted Latin American labor law, the most important formal expression of corporative frameworks for shaping trade unions, as containing both a "carrot and a stick" for labor. Spalding (1972:211) has analyzed the tendency of the state and elite groups in Latin America to "seduce and control" organized labor. The terminology employed in a standard manual of labor relations in the United States suggests that the inducement/constraint distinction is salient in that context as well. This manual contrasts provisions of labor law that involve "labor sweeteners" sought by unions with those involving "restrictions" on unions sought by employers. More broadly, in the analysis that played a crucial role in initiating the current debate on corporatism, Schmitter (1974:94) hinted at this distinction when he suggested, without elaboration, that corporative provisions that we have referred to as involving constraints may be accepted by groups "in exchange for" the types of provisions we have identified as involving the structuring of groups.

ers with which the leaders interact. The dual nature of the inducements explains why high levels of inducements, as well as of constraints, are often instituted by governments that are indifferent to cultivating labor support and whose goal is to produce a docile, controlled labor movement, as occurred in the cases of state incorporation analyzed in Chapter 5.

Labor Movement Responses. If both inducements and constraints can ultimately lead to control, it remains to be demonstrated that labor organizations really desire to receive the inducements—that these provisions in fact induce labor organizations to cooperate with the state and to accept the constraints. A preliminary examination of the evidence suggests this is often the case.

A useful opportunity to observe labor leaders' assessments of different corporative provisions is in the debate that often arises during the incorporation period, at the time of enactment of the first major legislation that provides a basis for legalizing unions and that commonly includes a number of inducements and constraints for the unions that become legally incorporated under the terms of the law. An important example is found in Argentina. The dominant sector of the Argentine labor movement initially rejected the labor policies of the military government that came to power in Argentina in June of 1943. Only when Perón began to adopt the program of this sector of the movement—that is, to support the organizational goals of labor as well as its substantive demands on bread and butter issues, in part through a labor law that placed heavy emphasis on inducements—did major sectors of the labor movement begin to accept his offer of cooperation (Silverman 1967:134–35).

In Mexico the reaction of the labor movement to the first national labor law in 1931 again reflected the dual nature of the law, encompassing both inducements and constraints. Labor leaders objected to certain constraints—the provisions for federal supervision of their records, finances, and membership lists—whereas they accepted the provisions for the recognition of unions, defined above as an inducement. Furthermore, they were dissatisfied over the absence of compulsory membership, a provision that we have identified as an inducement (Clark 1934:215; Harker 1937:95).

The debate within the labor movement over the passage of the 1924 labor law in Chile reflects this same pattern. The dominant Marxist sector of the movement generally accepted the new system, arguing that it had to "use all the social legislation of the capitalist state to fight capitalism itself" (quoted in Morris 1966:246). The debate within the labor movement showed that although this sector opposed the constraints contained in the law, it was attracted by the law's provisions that would help it extend its organization to new economic sectors and allow it to receive a state-administered financial subsidy derived from profit-sharing. The inducements contained in the law were thus initially sufficient to motivate the dominant sector of the labor movement to cooperate with the state.

The 1924 Chilean law illustrates another point as well. Though the inducements offered by the state have often been sufficient to win the cooperation of labor, this has not always been the case. Historically, the anarchists

were acutely aware not only of the costs of the constraints that accompany the inducements, but also of the tendency of the inducements to lead to control. Thus, following the traditional anarchist position regarding the risks of co-optation arising from cooperation with the state, the anarchist sector of the Chilean labor movement rejected the 1924 law completely. Another example is the 1943 law in Argentina, which was widely opposed by organized labor. At that point the state was not willing to extend sufficient inducements to win the cooperation of the labor movement, which rejected the constraints. It is noteworthy that the Peronist law of 1945 provided the necessary level of inducements and was accepted by the labor movement, despite its similarly high level of constraints.

These examples suggest that although some labor groups will resist these inducements, the inducements have in fact served to win their cooperation and to persuade them to accept the constraints. Furthermore, the distinction between inducements and constraints is not merely an analytic point of concern to social scientists. It is, rather, a vital political issue in the history of state-union relations in Latin America, one which we will observe being played out at various points in the historical analysis below.

In conclusion, two observations may be underlined. First, this interaction among the components of corporatism, along with the closely related theme of the dual dilemma in state-labor relations, plays a central role in framing the analysis of both the incorporation periods and the legacy of incorporation. Second, the picture that emerges is not static, but highly dynamic. Thus, the introduction of corporative provisions of state-labor relations, often during the incorporation periods, should not be understood as producing structures or institutions that are unchanging. The literature on corporatism has repeatedly noted a major divergence between the goals of actors in the state who introduce corporatism, the initial reality of the corporative structures, and the ultimate consequences of these structures.[14] The question of how this divergence occurs is a central theme of this study.

[14] Hammergren 1977; Chalmers 1977:28–29; Ciría 1977; Stepan 1978b.

5

Incorporation: Recasting State-Labor Relations

THE PERIOD of initial incorporation of the labor movement is defined as the first sustained and at least partially successful attempt by the state to legitimate and shape an institutionalized labor movement. During this period, the state played an innovative role in constructing new institutions of state-labor and labor-capital relations and new approaches to articulating the labor movement with the party system.

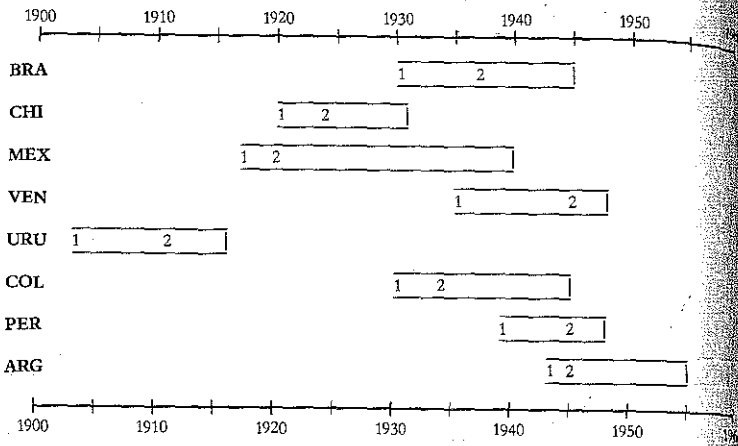
The incorporation period emerged out of the experience of working class activation and elite debate on the social question discussed in the previous two chapters. This first major attempt to incorporate labor was important for a number of reasons: it addressed a fundamental crisis or potential crisis in these societies; it represented one of the most significant periods in Latin American history in which the state was challenged to address a fundamental reform agenda; and it constituted an opportunity to shape national political institutions for years to come, an opportunity that was seized—or in some instances aborted, initially postponed, and later reinitiated—in different ways in different countries.

Our basic thesis is that the incorporation periods were a crucial transition, in the course of which the eight countries followed different strategies of control and mobilization of the popular sectors. These differences had a long-term impact on the evolution of national politics. We do not intend to suggest that once the initial incorporation period had occurred, the patterns established remained unchanged. Quite the contrary, these periods set into motion a complex sequence of reactions and counterreactions, and the legacy of incorporation is to be found in the working out of this sequence. These reactions often led to consequences quite different from those intended either by the actors within the state who initiated incorporation or by the labor leaders who may have cooperated with them. Correspondingly, with regard to labels, when we assert that a country is an instance of a particular type of incorporation, we are referring to this earlier historical transition and not to the subsequent trajectory of change.

The analysis of incorporation is based on a number of choices concerning the appropriate identification of these periods and the treatment of subperiods within the overall incorporation experience. These issues may be of great interest to some readers and of little interest to others. We have therefore discussed them primarily in the glossary and have also treated them to some degree in Chapter 1. Questions concerning the beginning and end points of the incorporation periods are also addressed within the historical analysis in the present chapter, as well as in Chapter 4.

Figure 5.1 gives a chronological overview of the incorporation periods in the eight countries, identifying for each country both an initial, more cautious phase of incorporation, led by "conservative modernizers," and characterized to varying degrees by modernization, tentativeness, stalemate, and failure; and a second phase during which state initiatives generally assumed a more vigorous form.

Figure 5.1 Chronological Overview of Incorporation Periods



Notes: 1 = onset of first phase of "conservative modernizers"; 2 = onset of second phase of incorporation period.

Table 5.1 provides a more detailed overview of these two phases of incorporation, including the event (coup, assassination, election, or worker demonstration) that marked the transition between the phases. The table also shows the relation between the onset of the reform periods analyzed in the last chapter and the incorporation periods. In Mexico, Peru, and Argentina the onset of reform brought an unsuccessful attempt to launch an incorporation project, followed by delays of varying lengths prior to the onset of the incorporation period.

Types of Incorporation Periods

The classification of these incorporation experiences is derived from the answers to a series of questions concerning the overall *goals* of the political leaders who initiated incorporation, the principal political *agency* involved in the incorporation period, two dimensions of the *mode* of incorporation, and the *scope* of incorporation.

[1] If one were providing a generalized description of the incorporation periods, in contrast to the present concern with establishing a scheme for differentiating among them, a third dimension of the *mode* of incorporation should also be emphasized: i.e., bureaucratic linkage, involving the systematic effort to establish bureaucratic ties between the state and the labor movement. This is obviously a basic feature of corporatism and is an important part of the incorporation experience in all of the countries except Uruguay. In Uruguay, in the pluralistic setting of the two presidential terms of José Batlle y Ordóñez at the beginning of the century, labor control tended to take the more "traditional" form of police surveillance of union activities rather than bureaucratic-corporative forms of control.

Goals: Control and Support. Was the major goal of the political leaders who initiated incorporation primarily to control the working class, with at most marginal concern with mobilizing its support, or was the mobilization of support part of a political strategy to gain and maintain power of at least equal importance?

Agency: State versus Party or Movement. Was the incorporation project principally concerned with linking the labor movement to the state, or was it, in addition, centrally concerned with linking labor to a political party or political movement that later became a party?

Mode: Electoral Mobilization. Did the leaders of the incorporation project seek the support of workers in the electoral arena?

Mode: Union-Party/Movement Linkage. Were strong organizational links established between labor organizations and the political party or movement through which support was organized?

Scope: Inclusion of Peasantry. In addition to encompassing modern sector workers in urban areas and modernized enclaves, was there a parallel mobilization and incorporation of peasants in the traditional rural sector?

These questions led us to distinguish four basic types of incorporation periods, delineated in Figure 5.2. We should reiterate that these are analytic types, not comprehensive descriptions of each case, and in fact not every country fits each category perfectly, as can be seen in the footnotes to the figure. However, the countries identified with each type are far more similar to one another in terms of the defining dimensions than they are to the other countries, and we believe this typology captures fundamental differences among the incorporation experiences.

State Incorporation. On the basis of the first two questions, we initially distinguish cases of state incorporation where the principal agency involved in the incorporation project was the state and the principal goal was to create a legalized and institutionalized labor movement that was depoliticized, controlled, and penetrated by the state. Among the countries considered here, the high point of state incorporation occurred under authoritarian rule, and the mobilization of the electoral support of workers was at most a marginal concern, though such mobilization did become important *after* these periods. Union-party links were prohibited, and preexisting political currents in the labor movement were repressed. A basic premise that helped sustain the governing coalition was that social relations in the traditional rural sector would remain unchanged. The two cases of state incorporation are Chile (1920–31) and Brazil (1930–45).

Party Incorporation. Given our definition of the incorporation period, the state played a role in all cases, and as can be seen in Figure 5.2 the control of

TABLE 5.1
Phases of Incorporation

	Onset of Reform Period	*Aborted Incorporation Initiatives*	*First Phase: Conservative Modernizer*	*Second Phase: Full-Blown Incorporation Project*
Brazil	1930		Vargas 1930–37	Coup of 1937; Estado Novo, 1937–
Chile	1920		Alessandri 1920–24[a]	Coup of 1927; presidency of Ibáñez, 1927–31
Mexico	1911	Madero 1911–13	Carranza 1917–20	Assassination of Carranza in 1920; Sonora Dynasty of 1920s; incorporation culminated in 1930s under Cárdenas.
Venezuela	1935		López Contreras and Medina, 1935–45	Coup of 1945; Trienio of 1945–48
Uruguay	1903		Batlle 1903–7; Williman 1907–11	Batlle consolidated his position by onset of second term in 1911. Second Batlle presidency 1911–15, incorp. period extends to 191
Colombia	1930		Olaya 1930–34	López wins presidency in 1934; incorp. period extends to 1945.
Peru	1919	Leguía 1919–20	Prado 1939–45	In 1945, move beyond toleration of APRA to electoral alliance with APRA; Bustamante govt., 1945–48.
Argentina	1916	Yrigoyen 1916–20	Military leadership of June 1943 to Oct. 1945[b]	Worker demonstration in Oct. 1945 and election of Feb. 1946 consolidate Perón's power; Perón presidency of 1946–55.

[a] In Chile, the period 1924–27 saw crisis and instability as Ibáñez sought to consolidate his power.

[b] Immediately after the 1943 coup, these military leaders adopted highly restrictive policies toward the labor movement. The policy alternative represented by Perón's initiatives was already well-defined by late 1943, but Perón was strongly opposed by important sectors of military leadership until the second part of 1945. He formally became president in June 1946.

the labor movement was always a goal of the incorporation project. However, in six of the countries, a crucial additional agency was a political party or political movement that later became a party, and a central goal was the mobilization of labor support. These countries were distinguished as cases of party incorporation.[2]

The six cases of party incorporation had in common the fact that the incorporating elite sought to win the support of workers in the electoral arena. They differed in terms of whether strong union-party links were established and whether there was a parallel incorporation of the peasantry, thereby establishing the basis for identifying three subtypes of party incorporation.

1. **Electoral Mobilization by Traditional Party.** Colombia (1930–45) and Uruguay (1903–16) experienced active electoral mobilization of labor support, but the effort to link unions to the party was either limited or nonexistent, and the incorporation project did not encompass the peasantry. The political context was the expansion of the scope of electoral competition as an aspect of the competition between two traditional parties, both of which had existed since the 19th century. This was the most limited form of party mobilization, where new groups were added to the old party coalitions, where the addition of unions as a major element in these coalitions tended to be problematic, and where the economic elite maintained close ties to both parties.

2. **Labor Populism.** Peru (1939–48) and Argentina (1943–55) experienced active electoral mobilization of labor support and a major effort to link unions to a party or political movement, but the incorporation project did not encompass a peasantry.[3] Because the more extensive mobilization of this type remained restricted to labor in the modern sector, we refer to it as labor populism. The political context was the emergence or consolidation of a populist party or movement that displaced traditional parties and/or the traditional political class. The incorporation period was strongly antioligarchic, but not to the point of fundamentally altering property relations in the rural sector.

3. **Radical Populism.** Mexico (1917–40) and Venezuela (1935–48) experienced broad electoral mobilization of labor support, a major effort to link unions to the party, and, along with the modern sector working class, a parallel incorporation of the peasantry. Because the agrarian reform that accompanied peasant mobilization represented a more comprehensive assault on the oligarchy and on preexisting property relations, we refer to this as radical populism.

Two caveats may be introduced regarding the label party incorporation. First, we use this designation for the sake of convenience, yet as the definition makes clear, the category includes cases involving a "party or a political movement that later became a party." This is crucial because in Mexico and

[2] Since the state also played a central role in these cases, they could be called "party/state incorporation." However, this is a clumsy label, and we feel that in light of the above discussion the meaning of the label "party incorporation" is clear.

[3] Obviously, whereas in Peru this latter outcome was not plausible due to the strength of the oligarchy, in Argentina it was not plausible due to the lack of a major peasant population. It should be noted that both APRA and Perón did have rural electoral support, but not the support of an organized peasantry equivalent to that found in Venezuela and Mexico.

Figure 5.2 Types of Incorporation

	State versus Party Incorporation							
	State Incorporation		*Party Incorporation*					
Goals and Agency of Incorporation	Brazil (1930–45)	Chile (1920–31)	Uruguay (1903–16)	Colombia (1930–45)	Peru (1939–45)	Argentina (1943–55)	Mexico (1917–40)	Venezuela (1935–48)
Control of unions exercised by the state	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Labor support mobilized by a party (or movement that becomes a party)	No[a]	No[b]	Yes	Yes	Yes	Yes	Yes	Yes
	Types of Party Incorporation							
Mode and Scope of Incorporation	*Electoral Mobilization by Traditional Party*				*Labor Populism*		*Radical Populism*	
Electoral mobilization	No	No	Yes[c]	Yes	Yes	Yes	Yes	Yes
Union linkage to party or movement	No	No	No	Weak[d]	Yes	Yes	Yes[e]	Yes
Peasantry included	No	No	No	No	No	No[f]	Yes	Yes

[a] Parties were introduced in Brazil shortly before the collapse of the Vargas government in 1945.

[b] A government-sponsored party played a marginal role under Ibáñez in Chile.

[c] Batlle's effort to mobilize workers' electoral support can best be thought of as a successful investment in future support, in that during the incorporation period itself, workers were still strongly anarchist and tended not to vote.

[d] The important role of the Communist Party within the main labor confederation and the ability of the Conservative Party to inhibit union formation by the Liberal labor confederation within certain regions seriously limited the development of links between the Liberal Party and the labor movement in comparison with the cases further to the right in the chart.

[e] The presence of the Communist Party within the main confederation initially diluted the tie between the PRM and the labor movement.

[f] Important benefits were extended to rural wage workers who could be considered part of the modern sector, as well as to some peasant groups. However, in the absence of a substantial peasantry, there was no project of peasant incorporation that was politically equivalent to those in Mexico and Venezuela.

Argentina the relevant organization at the onset of the incorporation period was a movement, not a party.[4]

Second, though the role of political parties is a crucial element in this classification, it must be emphasized that neither this typology nor the related typologies developed for subsequent analytic periods are intended as a substitute for more conventional classifications of parties. Indeed, such classifications may cut across the categories employed here. For instance, the two cases of state incorporation, Brazil and Chile, which both experienced an antiparty, depoliticizing incorporation period, had very different types of parties: those in Chile had deeper roots in society and were far better institutionalized, whereas those in Brazil were shallowly rooted in society and poorly institutionalized. In the two cases of labor populism, Peru and Argentina, the respective labor-based parties—that is, APRA and Peronism—likewise differed profoundly in their degree of institutionalization, both in the incorporation period and subsequently. These other patterns of variation among the parties are recognized in the present analysis and are occasionally introduced as factors that help account for differences between the cases within the country pairs. But it is important to insist that they are different dimensions of differentiation among the countries than those we seek to capture with the analysis of the incorporation periods and their legacies.

The analysis in this chapter is organized around the two well-defined poles evident in Figure 5.2. The cases of state incorporation—Brazil and Chile—exhibited none of the dimensions of mobilization, and the cases of radical populism—Mexico and Venezuela—exhibited all of them. As in the previous chapter, we first examine these two pairs of extreme cases and then turn to the two intermediate pairs.

In the treatment of each country, we first explore the "project from above" (i.e., the basic goals and strategies of the political leaders who initiated the incorporation period) and the "project from below" (i.e., the goals and strategies of the labor movement). For the cases of state incorporation, where labor policies were basically imposed on the labor movement, we then present an overview of the evolution of labor policy. For the cases of party incorporation, where labor policy was not simply imposed, but to a greater extent represented a bargain between the state and the organized labor, we present a more differentiated analysis that focuses on the political exchange with the labor movement, around which the mobilization of labor support was organized; the role of the political party or movement in mediating political support; and finally the conservative opposition that emerged in reaction to the mobilization and progressive policies of the incorporation period.

[4] As we emphasize in this and the following chapters, in Argentina Peronism continued to have an ephemeral existence as a party, yet by the definition of that term in the glossary, it unquestionably continued to function as a party.

BRAZIL AND CHILE: DEPOLITICIZATION AND CONTROL

Introduction

The fall of the oligarchic state in Brazil and Chile inaugurated a type of incorporation that was distinct from those experienced by the other countries in this study. Unique among all the cases, this important historical transition occurred without the political mobilization from above of the working class. Underlying this form of incorporation was a particular coalition: state incorporation was based on a "hybrid" state or on a modus vivendi, imposed through authoritarian rule, between the traditional oligarchy and the newer reformist middle sectors. It was premised on the transformation to a new activist state along with the protection of the essential interests of the traditional oligarchy, despite their loss of political control. Equally important, it avoided the expansion of the political arena and the mobilization of the popular sectors. Accordingly, there was no central role for a populist political party that could attract the loyalty and channel the political participation of the popular sectors. Furthermore—unlike party incorporation, in which unions were strengthened and in which the government often encouraged the spread of collective bargaining and, to some extent, union demand-making—in state incorporation the government severely constrained the newly legalized and legitimated unions in the sphere of labor-capital relations and conceived of unions more centrally as organizations through which the state could paternalistically grant social welfare benefits. In sum, state incorporation oversaw the creation of a highly corporative system of state-labor intermediation. It did not share a basic feature of party incorporation, a kind of bargain, in effect, between the state and labor in which the terms of exchange between the actors reflected differential power relations. Rather than a bargain or exchange, the preeminent feature of state incorporation was the attempt to address the social question by repressing the preexisting unions and replacing them with highly constrained, state-penetrated labor organizations that would avoid class conflict and instead "harmonize" the interests of capital and labor.

The incorporation period in these two countries must be delineated. In Brazil it is identified as the first presidency of Vargas, from 1930 to 1945; and in Chile, the Alessandri/Ibáñez period, from 1920 to 1931. In combining the Alessandri and Ibáñez presidencies into a single analytic period, it is worth noting that Ibáñez thought of himself as adopting the Alessandri agenda and pursuing the same goals and objectives that had been adopted but proved elusive in the Alessandri regime. This continuity is shown in the way the 1924 coup occurred: in the fact that it did not oust Alessandri from the presidency but rather forced the passage of his stalemated legislative program, particularly a new labor law, and in the fact that following his resignation Alessandri was brought back to power by the Ibáñez forces. Alessandri himself

recognized this continuity. In late 1932, when confronted with the suggestion that "President Ibáñez was in many respects the one who continued the work of your government, and, in large part, the one who realized many of the fundamental [but frustrated] aspirations of your program," Alessandri immediately replied, "Well, of course! It's true, and if we leave aside the arbitrary acts committed by Ibáñez, his program and achievements were nothing but the complement of mine" (Montero 1952:184).[5]

The incorporation period in these two countries is divided into two subperiods. At the outset, from 1930 in Brazil and from 1920 in Chile, the ongoing strength of the oligarchy led, as it did elsewhere, to a period of substantial stalemate and political immobilism of the new civilian government. In Chile, the deadlock was nearly complete, and even the issue of labor reform was not immune, despite the widespread agreement on the need for such reform on the part of the different sectors of the Chilean elite. In Brazil the situation was not so extreme. During the provisional government, Vargas was able to initiate changes and to proceed with a reform program in a number of areas, including new labor legislation. Nevertheless, the opposition remained strong, as was evident most dramatically in the São Paulo revolt of 1932 and in the influence of the liberal opposition on the 1934 constitution. In the following constitutional period, conflict and deadlock accelerated. The period 1930–37, then, was one of struggle and confrontation among the various elite sectors (Baretta and Markoff 1981:20).

That the initial period of attempted reform of the state was one of stalemate, of tentativeness, and largely of failure is not unique to these two countries. They differ, however, in the solution adopted to resolve the political impasse. In Mexico and Venezuela, where the oligarchy was comparatively weak, or in Colombia and Uruguay, where it was divided along long-standing partisan lines, the reform movement sought to pursue a mobilization strategy and enlist the support of the popular sectors to increase its political strength vis-à-vis the opposition. In Brazil and Chile, the strength of the oligarchy—due in part to its clientelistic control of the countryside and thus to the "unavailability" of the peasantry—meant that mobilization would not be adequate to overcome oligarchic power. In these cases, the military became a more decisive actor. These military establishments included substantial reform elements that had constituted part of the core of the original "modernizing" opposition to oligarchic rule. Under the leadership of these groups, the military intervened to break the political impasse and to oversee the onset of the introduction of the new state. Thus, in the absence of mobilization as a strategy, the solution to the political stalemate in Brazil and Chile was found in the authoritarian regime backed by the military.

In Brazil, the authoritarian solution to impasse was imposed by Getulio Vargas in the coup of 1937, which initiated the Estado Novo. In Chile, the initiation of the authoritarian regime occurred more gradually through a less decisive process. It began with the 1924 military coup of Ibáñez, Grove, and other military officers, but authoritarian rule was not consolidated until 1927, when Ibáñez formally took over as head of state. The years that followed constituted the second subperiod in which the reform of the state was advanced and new institutions of labor incorporation were consolidated, although in both cases the new framework of state-labor relations had been initiated a few years earlier.

The result of these events in both countries, then, was a military-backed authoritarian regime and a coercively imposed modus vivendi among the dominant sectors. Despite the conflict that preceded and led to the authoritarian solution, no major sectoral cleavage emerged comparable to that which occurred elsewhere. Although the solution to the political impasse was coercive and authoritarian, the continuing power of the oligarchy made some sort of pact with it necessary. The modus vivendi imposed by the authoritarian regime was one in which the reformers, to whom the oligarchy had to cede control of the state, would protect the material interests of the oligarchy. The project of those who came to power was one of social, political, and administrative reform, which would change the nature of the state and displace the hegemony of the oligarchy, but would not attack the economic position of the oligarchy nor leave it without substantial political power. Significantly, in these two countries, there was virtually no popular sector mobilization and hence no populist alliance that would be the basis for such a cleavage. What emerged was a compromise state with a conservative-reformist or conservative-modernizing orientation based on a hybrid elite, which has been widely noted in analyses of both countries (Fausto 1970:113; Moisés 1978:2), and the political exclusion of the popular sectors.

Brazil and Chile, then, are distinctive in that the period of incorporation was characterized not by party-centered popular mobilization but by a politics of accommodation between the oligarchy and the reformers. This was based on at least three factors. The first was the ongoing political and economic importance of the oligarchy. The second was the social solidarity of the newer middle sectors and the oligarchy, a widely noted and important feature, though one that was not unique to Brazil and Chile. This was reflected in family ties and multiple economic activities of individuals that blurred the distinctions among sectors. It was also seen in the aspirations of

[5] Further justification for treating these years as a single analytic period may be found in other quotations from both actors and observers. Referring specifically to labor policy, Olavarría, a family friend of Alessandri and close political associate of Ibáñez in the 1950s, said of the latter's presidency, "Finally making a reality the postulates advocated by don Arturo Alessandri, it had enacted the Labor Code and established the tribunals which must decide on conflicts of workers and employees with their employers" (Olavarría Bravo 1962, vol. 1:299). Also emphasizing the similarities between these two regimes, Alexander cites the comments of a number of observers who have called the Ibáñez regime "a bulwork of the social conquests of Alessandri's" or have pointed out that one "cannot fail to note that, for the most part, [the two regimes] were strikingly similar. . . . The general solutions that they both recommended for the economic and social problems are identical." Commenting on the change from the Alessandri to the Ibáñez regime, one remarked, "Alessandri has given way to Alessandrismo," and of Alessandri and Ibáñez another stated that these "two men . . . appear before history as perfectly complementary in a common and transcendental task" (1977:499–501).

the middle sectors to assimilate into the oligarchy (a phenomenon that
to the Chilean expression *siútico*, referring to one seeking such assimilation
The third was the overriding fear felt by both sectors of the danger of
rising working class, which, as we have seen, had never been part of the
inal reform coalition.

Project from Above

The project from above in Brazil and Chile had two broad components. The first was the consolidation of power of reformist groups once the transition from the traditional oligarchic state occurred in 1930 and 1920 respectively. The second was a set of substantive reforms, of which labor incorporation and the establishment of regularized and controlled channels of industrial relations as a response to the social question held a high priority.

Brazil. In Brazil, the period from 1930 to 1937 was one of stalemate and impasse. Vargas, however, began his presidency with substantial success despite important and growing opposition. The period before the new constitution of 1934, particularly before the 1933 elections to the constituent assembly, is one in which the modernizing project of the *tenentes* was begun. Several important innovations reflecting this orientation were made in the context of the impact of the world crash, in the face of which Vargas undertook new economic policies and in the process embarked on a centralization of political power. In 1930 Vargas issued a decree that lodged greater power in the federal government and paved the way for a series of moves that centralized the state and increased its role in economic modernization (Skidmore 1967:33). Notable among these was the transfer of responsibility for policy concerning the coffee sector from the states to the federal government and the new policy of the federal government to regulate the supply of coffee through government purchases with the goal of promoting the recovery of the export sector (Dean 1969:196–206).

Another early emphasis of the Vargas government was social welfare legislation. Starting immediately in the first year of the new government, a number of decrees provided for retirement pensions for some categories of workers, industrial accident insurance, greater holiday benefits, regulation of working hours and of employment of minors, and benefits related to emergency treatment, and maternity benefits. Though Vargas had more success in promulgating these provisions than Alessandri, his Chilean counterpart, it should be noted that they were not implemented effectively in this earlier period (Flynn 1978:102).

Perhaps the most important measure undertaken by Vargas in this initial period was the establishment in 1930 of a Labor Ministry and the promulgation of a labor law in the next year. The law, which indicated the direction of labor policy during the Estado Novo, provided for the registration and legalization of unions. It also subjected the legalized unions to substantial state control, aimed particularly at eliminating politically oriented unions.

Quite clearly, it sought to replace the existing unions, which were under communist, anarchist, and socialist influence, with an apolitical labor movement made up of unions that would function as "consultative organs of government," substituting a model of class harmony and collaboration for one of class conflict (Harding 1973:71–73).

In the first years of the Vargas period, then, there was tenuous agreement on two issues—the elimination of state corruption and the necessity of addressing the social question by some sort of transformation of the "dangerous classes" organized in politically radical unions into a cooperative labor movement, even if the granting of some benefits were necessary. There was, however, substantial and growing conflict between the *tenentes*, who advocated authoritarian rule to advance their program of modernization, centralization, and structural change, and the liberal constitutionalists, who were strongly represented in Congress and whose power was lodged in the states. They thus resisted the centralizing measures and advocated a liberal democratic regime that would protect their political influence (Skidmore 1967:13; Baretta and Markoff 1981:5–25).

A major reason why Vargas was more successful than Alessandri in avoiding policy immobilism was the greater constitutional discontinuity with the Old Republic that occurred in 1930 in Brazil. In Chile, Alessandri tried to govern, at a comparable stage in 1920, within the framework of the preexisting Parliamentary Republic and confronted overwhelming congressional opposition. Vargas, by contrast, coming to power in the "Revolution of 1930," which constituted a more decisive break with the Old Republic, abolished the legislative bodies at the local, state, and national levels and assumed virtually dictatorial powers (R. Levine 1970:5).

Though congressional opposition was thus initially avoided, conflict erupted in other arenas. This conflict took the form of a series of confrontations, which were most explicit in the regional revolts of 1932 in São Paulo and Pernambuco, in which "Vargas narrowly prevented full-scale civil war" (R. Levine 1970:8). The conflict was also evident in 1934 in the Constituent Assembly over the issue of centralization and the degree of autonomy to be granted to the states. The 1934 constitution, though very much a hybrid document (Skidmore 1967:19), strengthened the hand of the liberal opposition. The general amnesty issued by the Constituent Assembly paved the way for the return of political exiles and strengthened the challenge of the liberal constitutionalists based in the states. The introduction of democratic procedures also weighted the balance in favor of the opposition since the rural oligarchy controlled local voting. Partisans of the *tenente* position, which was thus losing influence, "complained bitterly that Vargas was opening the door for the oligarchy to regain power in the states and thereby erase all revolutionary gains" (R. Levine 1970:11, 14–15).

By the middle of the decade, then, the conflict between Vargas and the opposition was out in the open. The deadlock intensified in 1934–35 as a series of clashes occurred between the minister of war and political figures in the state of Rio Grande do Sul. These battles ended in the resignation of

MEXICO AND VENEZUELA: RADICAL POPULISM

The onset of the incorporation period was marked in Mexico by the end of the civil war and the new constitution of 1917 and in Venezuela by the new government that followed the death of Gómez in 1935. As in Brazil and Chile, the challenge of this transition involved the political task of consolidating a new reformist coalition. In Mexico this task was undertaken against the backdrop of Madero's failure and the ensuing years of bloody civil war. In Venezuela it was undertaken in ambiguous circumstances. Following Gómez's death, government passed on not to the middle sector opposition but to Gómez's followers in the army, so there is little sense in which it could be said that the reformist opposition even came to power. Nevertheless, the death of Gómez marked the end of an era, and the coloration of the new government and its openness to reform was an issue to be explored and worked out. A crucial factor that distinguishes Mexico and Venezuela from Brazil and Chile was the strategy of the new political leadership vis-à-vis the popular sectors in their attempt to attain and/or consolidate power; that is, in Mexico and Venezuela political leaders viewed the popular sectors as crucial political resources that could be mobilized in the struggles among sectors of the dominant classes. This mobilization was a central feature of the incorporation pattern in these countries.

In Mexico and Venezuela, this support mobilization took the form of what we have labeled radical populism, in which both the working class and the peasantry were mobilized electorally and organized into functional associations, such as unions, linked to the reformist political movement or party. There was some difference between the two countries in this respect. In Venezuela both working-class and peasant organizations were united in the same national labor confederation and in the same sectoral structure within the populist party. In Mexico the two union structures remained organizationally separate—indeed during the 1920s the urban and rural popular sectors even tended to be affiliated with different parties, and from the 1930s on they formed parallel but separate sectors within the dominant, populist party.

The inclusion of the peasantry in the politics of support mobilization meant two things from the point of view of the present perspective. First, it made the politics of incorporation appear like a more radical challenge, since the appeal to the peasantry necessitated a call for land reform—an element not found in the other six incorporation projects considered here and one that seemed to constitute a more thorough-going attack on private property and capitalist (and precapitalist) relations of production. Second, the mobilization of the peasantry meant that the dependence of political leaders on the working class was somewhat diluted since an alternate base of popular support was available. Nevertheless, despite this greater coalitional flexibility, in both Mexico and Venezuela leaders' dependence on labor support was great and was reflected in strong prolabor policies and substantial state cooperation with existing labor organizations.

On the one hand, one must understand radical populism as an elite project to establish the political dominance of elements of the emerging urban middle sectors. To this end, populism was pursued as part of a political strategy in which the popular sectors were mobilized as a political support base, as a political resource to build a constituency in order to consolidate power. This mobilization did not take the form of the encouragement of autonomous mobilization from below, but of controlled mobilization from above. A central feature of this mobilization from above was the establishment of a reformist multiclass political party to channel popular sector political participation into support for the government.

On the other hand, what is crucial to understand is that the very process of support mobilization took on a dynamic of its own. In order to mobilize support successfully, an exchange was necessary in which real concessions were offered for the support sought, for the popular sectors were not so passive nor so easily duped that they would collaborate without extracting some benefits. This, then, is the source of the political dynamic contained within populism throughout Latin America. The exchange that is a fundamental feature of support mobilization, while not threatening the basic capitalist orientation of the state and while in fact doing much to co-opt the working class (and the peasantry where included, as in Mexico and Venezuela), nevertheless involved substantive concessions, the formation of a progressive alliance, and some degree of power-sharing with the working class. These alienated important sectors of society. The result was political polarization as the alienated groups defected from the coalition. Despite efforts of the political elite to maintain the multiclass alliance, it tended to break apart, so that increasingly there was a situation in which a progressive coalition in power was opposed by the dominant economic sectors, which formed a counterrevolutionary or counterreform alliance.

Genuine populism, then, was not a static or equilibrium condition but contained within it a political dynamic and contradiction that made it most unstable. It must be understood in terms of a central emphasis on this contradictory feature: though mobilization was undertaken largely from above, and though in many ways it is a co-optive mechanism, the dynamics of mobilization turned the incorporation project in a sufficiently progressive direction to result in political polarization, as important, economically dominant groups went into vehement opposition, a situation that was unsustainable in the context of capitalist development.

With respect to the role of the working class in Mexico and Venezuela, the contrast with Brazil and Chile may be emphasized. Unlike the attempt to depoliticize the labor movement that was characteristic of state incorporation, the mobilization strategy by its very nature involved as an essential aspect the politicization of the working class. In this way, incorporation involved as a first priority not only the integration of the labor movement as a functional group but also its integration as a political movement, organized

in a multiclass political party that would reflect the populist alliance and that would channel working class political activity.

This difference meant that compared to state incorporation, radical populism involved more concessions and a more favorable political position for the labor movement. Leftist and independent unions were tolerated (though not necessarily favored) and in some cases even became part of the coalition. A corporative labor code was promulgated, but it had fewer constraints on unions and union activities. The same kind of officialist, state-penetrated union movement was not established, even though mobilization meant that the labor movement came to support the government and, in receiving benefits from it, became dependent on the state. These differences occurred within the framework of certain commonalities with state corporatism. In cases of state incorporation, some real benefits were paternalistically granted, and in cases of radical populism the political elite also recognized the importance of structuring a labor movement that it could control and of preventing the emergence of a strong, autonomous working class. Nevertheless, the adoption of a mobilization strategy implied a more advantageous power position for the working class, since the usefulness to the political leadership of popular sector support was dependent upon increasing the power of organized labor in order to enhance its weight as a political resource.

Compared to state incorporation, then, radical populism represents a contrasting model of labor incorporation, a different state response to the challenge of the emergence of an industrial working class. The different response corresponds to a distinct strategy for maintaining or consolidating the power of reformist political leadership. The two types of experiences differ with regard to the nature of conflict among contending factions of the dominant classes, the coalitions formed, the strategic political location of popular sectors, the degree to which they were mobilized, and the degree of class polarization that resulted.

Peasant Incorporation

Since in the following pages we will be primarily concerned with analyzing state-labor relations, which are the focus of this book, a few observations may be added here about a dictinctive feature of Mexico and Venezuela: the inclusion of the peasantry in the politics of incorporation. In their willingness to mobilize the peasants and, in the process, to adopt policies of agrarian reform, the leaders of the incorporation projects in these two countries thereby also demonstrated a willingness to risk the hostility of landowners and raise more basic questions about the sanctity of private property and about the scope of the new interventionist state.

In Mexico, the mobilization of peasant support began during the civil war that pitted Carranza against Villa and Zapata, whose main support was found among peasants, rural workers, and ranchers. Zapata in particular had a base

in the peasantry and had promulgated the Plan de Ayala to promote peasant interests. In response the Constitutionalists backed agrarian reform, and after the war the new constitution championed issues of social justice and laid the legal basis for land expropriation. In the following years, mobilization of peasant support was undertaken by leaders at many levels, reflecting both the fluidity of the post-revolutionary period and the attempt to consolidate power in the face of it. On the federal level, the governments of the 1920s promoted centralized peasant organizations and parties and adopted agrarian reform programs to mobilize peasant support for multiple reasons: to prevent more radical, independent peasant movements, to confront pressures from counterrevolutionary groups, and to quash rebellions, the most important of which were the de la Huerta and Cristero rebellions (Hamilton 1982:68, 75).

Peasant support, like labor support, was also a basis of political power cultivated by governors. Perhaps the most dramatic, but certainly not the only, example occurred in the state of Veracruz, where the governor supported the agrarian leagues, organized by Communist-affiliated labor and tenant unions, in their fight against the landed elite. To gain peasant support the governor distributed land to peasants and allowed peasant leaders to occupy major political and administrative posts. In Michoacán, Governor Lázaro Cárdenas also carried out an agrarian reform program and armed women's leagues to defend the newly acquired land (Hamilton 1982:98–99).

During the six-year interim of more conservative government (1928–34), policy turned more hostile toward peasants. In an effort to eliminate independent bases of power, the central government moved to obstruct and forcibly defeat peasant mobilization by state governors. In addition, the land reform program was pronounced a failure, and an attempt was made to get the governors to call it off and provide guarantees to landowners. At the same time, many of the peasant leagues were destroyed or weakened (Hamilton 1982:99–100, 175).

The radical populist government of Cárdenas (1934–40) brought an abrupt change, as peasants were brought into the incorporation project in parallel fashion to the labor movement. During the Cárdenas presidency, nearly 18 million hectares of land were distributed to more than 800,000 peasants, surpassing in six years the accumulated totals up to that time (Hamilton 1982:177). In addition to the extent of the program, other aspects made it more radical than previous programs. First, previously exempted commercial estates became subject to expropriation, and many henequen, rice, wheat, livestock, and sugar estates were included in the program. Secondly, the government encouraged the organization and mobilization of rural workers, particularly over the issue of obtaining a labor contract, as a prerequisite for expropriation. Third, in part for ideological reasons and in part as a mechanism for maintaining the integrity of these large estates, communal production based on the *ejido* was encouraged and favored by the government. A new Ejidal Bank provided credit and in a host of other ways supported and oversaw the functioning of the *ejido*, promoting it over other kinds of rural ownership. All in all, the agrarian program of Cárdenas constituted a major

assault on the power of landowners and provoked intense opposition (Hamilton 1982:164–78).

In exchange, of course, the government benefited from the political support that was forthcoming from the peasantry. To institutionalize the peasant-state alliance, agrarian leagues were constituted at the state level, and in 1938 these were brought together in the CNC (National Peasant Confederation). The CNC, representing about 3 million peasants and rural workers, was formally incorporated into the governing party, which Cárdenas reorganized in the same year.

In Venezuela, peasant mobilization and organization were closely integrated into the larger labor movement, which included both urban and rural sectors and which was regulated by the same labor law. To that extent, the longer discussion below applies equally to the incorporation of the peasantry. Nevertheless, a few additional details may be added at this point.

Between 1935 and 1945, the government itself had little interest in politically mobilizing the peasantry. With the 1936 labor law, a conservative incorporation project was initiated with the provision for legalized but highly constrained unions. During this period, however, groups in opposition to the government were vigorous in their efforts to organize a political movement (which eventually became the party Democratic Action—AD) and mobilize a support base. The peasantry as well as urban labor figured prominently in this strategy, and the agricultural sector received a great deal of attention in the development program of the new movement (Powell 1971:36, 56). The first peasant union was organized in 1937, and in the following years, as local peasant leaders joined the movement or were recruited by it, unionization spread, as did peasant protest and clashes with landlords. By 1945, 77 unions with a membership of over 6,000 were legally recognized, and Powell (1971:60) indicates that when not restricted to legally recognized unions, the effective peasant support base of AD when it came to power in 1945 consisted of "500 embryonic unions, with as many as 2,000 local peasant leaders in the villages and scattered hamlets, and an estimated 100,000 peasants within the orbit of influence of these local leaders."

Once in the power, AD continued to place high priority on the mobilization of peasant support, and agrarian policy became a central component of the new government's program. The agrarian reform law was promulgated in 1948, but even before that, indeed on the first day of the new government in 1945, agrarian policy began to take shape as guidelines to prevent peasant eviction were announced and a program of land distribution through leasing was begun. That program was expanded with more categories of public and private land made available for lease. The new constitution of July 1947 provided the legal basis for an agrarian reform law, which was promulgated in October 1948. However, it accomplished little since it was quickly superseded by the military coup, which ousted the government the following month.

Despite its abbreviated duration, the Trienio government, through its agrarian policy, was effective in mobilizing peasant support and consolidating a state-peasant alliance based on "an explicit quid pro quo: you help us to achieve power with your votes . . . , and we will respond with an agrarian reform through the channel of the Peasant Federation. . . . [The] mobilization system . . . depended both on intermittent peasant contributions at the polls and on a flow of agrarian goods and services in return" (Powell 1971:83).

After just the first year of the new government, land was distributed to over 23,000 peasants. In addition, peasant organization increased dramatically. Over the three-year period of the Trienio, the number of unions grew by a factor of almost ten and membership by a factor of almost 11 (Powell 1971:79). These peasant organizations were promoted as the vehicles through which land and credit were distributed. Powell (1971:75, 80) suggests that the new policy led to a basic redistribution of power in the countryside, as these unions and their leaders were empowered by the terms of the program to influence not only land distribution but also the location of public works projects. To oversee the process, a commission was established on which a sole representative of landowners could be outvoted by the other four members—three government representatives and a representative of the peasant unions. Furthermore, the formal role of unions in the policy process had a partisan impact since most of these unions were linked to AD, the government party.

The agrarian policy, taken as a whole, provoked much opposition. This opposition came not only from landowners, who were no longer free to dispose of their land without constraints, but also from opposition parties, which did not establish the same links to peasant unions and stood to loose politically from AD's mobilization strategy.

In both Mexico and Venezuela, then, the inclusion of the peasantry in the incorporation project generated substantial opposition. However, by the end of the incorporation period, the traditional landed oligarchy had been further undermined. Hence, though this opposition was part of the pressure for the subsequent move to the right (which will be explored in the next chapter), this sector did not persist in subsequent decades as a powerful pole of antagonism to the populist party as it did in Peru and Argentina.

upheaval AD seemed to be promoting" (Lieuwen 1961:88). The AD government, then, fell not because it alienated only the military, but because of the broad opposition radical populism provoked. As Daniel Levine (1978:92) has stated: "The overthrow of AD thus stemmed ultimately from the threat its continued rule had come to pose to a wide range of social interests." Similarly, Hellinger (1984:49) has suggested that the government fell because "the Venezuelan bourgeoisie was insufficiently mature to accept at that time the structural changes in the economy and society that the Trienio government was introducing in order to . . . make possible the reproduction of capitalist relations of production. . . . [It] was not prepared to accept the institution of labor unions, for example."

The result of radical populism in the Trienio, then, was "extreme polarization" (Fagan 1974:81) and the activation of an accelerating or spiraling populist dynamic in which the loss of support, occurring as an outcome of a populist alliance and reformist program, led to an increasing dependence of the government on a popular-sector support base. As opposition mounted, the government, "in order to strengthen its remaining base of legitimating support . . . succeeded in producing an ever more dependable, but ever narrower, support structure" (Powell 1971:84). "As a result, by 1948 [urban and rural] organized labor . . . was perhaps the only secure base of the government's support" (Fagan 1974:81), and it was insufficient to prevent the counterreformist coup, which reflected the widespread opposition to radical populism and attracted the passive—if not active—support of broad sectors of society.

URUGUAY AND COLOMBIA: ELECTORAL MOBILIZATION BY A TRADITIONAL PARTY

In contrast to other cases of party incorporation, in Uruguay and Colombia the parties that led the incorporation period—the Colorados and the Liberals—were traditional, multiclass, multisectoral parties founded in the 19th century. By contrast, in the other four countries the incorporating parties emerged in the 20th century in response to issues of social protest and social reform. Due to the deeply ingrained multiclass and multisectoral character of the Colorados and Liberals, issues of fractionalization arose quickly as soon as the progressive wing of the party initiated the more intensive phase of reform and tried to establish its dominance over the more traditional wing of the party. Hence, the conflicts and polarization of this period involved as much intraparty as interparty tensions.

The incorporation periods in Uruguay and Colombia were also distinctive, as noted in Chapter 4, in that they came early. The Batlle era in Uruguay was early in an absolute, chronological sense—being the first incorporation period in the region—and also came early in relation to the emergence of the Uruguayan labor movement. In Colombia, incorporation came considerably later in chronological terms, beginning in the 1930s, but was early in relation to the development of the Colombian labor movement. This early timing had important consequences for the dynamics of incorporation.

Uruguay and Colombia exhibit other commonalities as well. In both countries a tradition of power-sharing between the two main parties was abandoned during the incorporation period as the reform party sought to establish its dominance, forming a "party government" (*gobierno de partido*). Both parties introduced major labor reforms to cultivate the working class as a political constituency, with the goal of building a new electoral majority. However, due to the early timing and hence the limited electoral role of workers, especially in Uruguay, this appeal was more an investment in the future, rather than in current electoral support. Yet it appears to have been a successful investment, in that both parties emerged from this period commanding a majority in the electoral arena.

The construction of links between the incorporating party and unions was even more problematic than the electoral appeal to workers, in part due to party fractionalization. Efforts by the progressive wing of both parties to build such links tended to be particularly threatening to the established balance of forces within the party and sharply exacerbated intraparty tensions. For this and other reasons, the partisan mobilization of unions by the incorporating party, which was a central feature in other cases of party incorporation, either did not occur at all during this period (Uruguay) or was only partly successful (Colombia).

Though there was some rural reform in both countries, neither saw a major effort to extend the incorporation project to the rural sector. Both countries

had previously experienced civil wars or major civil violence in rural areas, yet control over rural property relations on the part of the most powerful landed interests was strong, and these interests were well represented in both traditional parties in both countries. Correspondingly, policies that went beyond modest rural reform to a more fundamental restructuring of property and political relationships in the countryside were not adopted.

URUGUAY

During the Uruguayan incorporation period, José Batlle y Ordóñez launched his extraordinary program of social, economic, and political reform. This period is best understood in two phases. In the first, which began with Batlle's first administration (1903–7) and extended through that of Williman (1907–11), the primary focus was on extending Colorado dominance over the state and securing Batlle's control of the Colorado Party. The second, which saw the passage of important segments of Batlle's reform program, began during his second administration (1911–15) and lasted until mid-1916, during the Viera administration (1915–19). This active phase of reform brought growing division in the Colorado Party and came to an end with the defeat of the Batlle forces in the 1916 elections for the Constituent Assembly and the subsequent decision of President Viera to withdraw his support for extending Batlle's program. The famous "Alto de Viera" (Viera's Halt) ended the incorporation period.

Project from Above

When Batlle came to power in 1903, he faced two important challenges: a military revolt by elements of the National Party—also known as the Blancos—and division within his own Colorado Party. By the end of his first administration in 1907, he had successfully addressed both problems and had begun to present to the legislature his program for the political and economic transformation of Uruguay. Although prior to 1903 Batlle had strongly emphasized worker rights during his tenure as editor of the daily newspaper, *El Día*, upon achieving the presidency he first turned his attention to the threat to Colorado rule presented by the revolt of the National Party. Consequently, Batlle's labor and social program was delayed. Nevertheless, even during his first presidency Batlle used his position to support workers' right to strike and took a strong stand favoring workers' demands, thereby making this earlier phase part of the incorporation period.

Just months after Batlle's election, forces of the National Party led by Aparicio Saravia rose in revolt because Batlle had broken the terms of the 1897 agreement for coparticipation between the parties. This revolt ended in compromise, only to be followed by a full-fledged civil war that lasted until Saravia's death at the battle of Masoller in 1904 (Vanger 1963:160–61). Upon defeating the National Party's forces, Batlle ended the coparticipation agreement of 1897, as well as the partisan division of Uruguayan territory. Batlle was by now strongly opposed to coparticipation (Vanger 1963:33) and, like López during the incorporation period in Colombia in the 1930s, believed in the need for "government by the majority party" (*gobierno de partido*). The national state and the Colorado Party would rule all of Uruguay. If the Na-

PERU AND ARGENTINA: LABOR POPULISM

The experiences of Peru and Argentina with incorporation had many common traits. Regarding the antecedents, both countries had experienced failed attempts to initiate incorporation periods in the 1910s and 1920s, followed by a long postponement of incorporation. In the intervening years, both saw an incremental growth of the state role in the labor movement, yet without experiencing a policy period that fits the definition of incorporation.

In the incorporation period itself, Peru and Argentina saw intense popular activation in the urban sector, involving both the mobilization of electoral support of workers and the consolidation of strong ties between trade unions and the party or movement that led the incorporation project. Partly due to the long delay of initial incorporation in relation to the reform period of the 1910s and 1920s, the incorporation project in each country was built on top of an already strong popular movement—the APRA Party and its labor base in Peru and the CGT (General Labor Confederation) in Argentina.

Perón's reform program had a far greater impact in rural areas than did that of APRA, and Perón's policies went further in directly affecting the economic interests of the export elite. Yet in neither case was there a basic restructuring of property relations in the rural sector or widespread peasant mobilization, in marked contrast to Mexico and Venezuela. Correspondingly, the economic elites of the agrarian sector remained an important economic and political force in both Peru and Argentina and emerged as a powerful pole of opposition to the new political forces unleashed by the incorporation period.

With regard to the character of the populist party, there was a major contrast and a major similarity. A central feature of the Peruvian experience was the exceptionally strong, well-disciplined organization of APRA. By contrast, the party structure to which the CGT came to be linked in Argentina was not well institutionalized, either during the incorporation period or for many years thereafter, and for many purposes it is more appropriate to think of Peronism as a political movement rather than a party.[64] Despite this contrast in party organization, APRA and Peronism were similar in the degree to which they were overwhelmingly dominated by a single personality—Víctor Raúl Haya de la Torre and Juan Domingo Perón. Subsequent antagonism toward the two parties was directed as much at these two individuals as toward the parties more broadly.

The coherence of policy during the incorporation period differed substantially. The incorporation project in Argentina was one of the most extensive in terms of the scope of new labor legislation, the growth in the number of unions and union membership, the coverage of social benefits, and the dramatic shift away from earlier patterns of state-labor relations to one in which, in symbolic and ideological terms, the government dramatically sided

[64] Recognizing this fact, for the sake of convenience we will generally refer to Peronism as a party.

with the working class. By contrast, the incorporation period in Peru emerged incrementally under the government of Prado between 1939 and 1945, and even during its more ambitious phase from 1945 to 1948 was marred by political stalemate, legislative paralysis, a failure to initiate many proposed reforms, and intense antagonism among the principal actors involved. These years were relatively unproductive in terms of new labor legislation.

These features of the Peruvian experience could lead one to question if this incorporation period was in fact an important transition in Peru. Such skepticism might be reinforced by the observation that prior to the 1940s APRA was already a major force in the labor movement. Hence, more than in most cases, the incorporation period could be seen as reinforcing an already existing political relationship between the labor movement and a populist party.

Yet despite political failures and policy paralysis in many spheres, APRA's remarkable organizational capabilities allowed it to make excellent use of its access to state resources. The result was a fundamental transformation in the sphere of labor relations, to the extent that this period is commonly interpreted as a crucial transition in the evolution of APRA's position in the labor movement.[65] However, it was not as dramatic a reorientation as occurred in several other countries.

[65] Sulmont (1977:82) considers the Bustamante period "a crucial moment in the political life of the country" which "permitted the worker movement and the popular sector more broadly to consolidate its trade-union and political organization." Pareja (1980:115) suggests that by using the resources secured through its role in the Bustamante administration, "APRA became the most important vehicle for the institutionalization of the labor movement. The relationship between the party and trade unionism expanded to the point of near identity." Parallel observations are made in Angell (1980:21) and Adams (1984:36–37), both of whom stress the importance of APRA's access to state resources in achieving this end. From a comparative perspective, Anderson (1967:249) makes the more general observation that "the die of Peruvian postwar politics was cast" in the 1945–48 period.

6

Aftermath: Reaction to Incorporation and Postincorporation Dynamics

IN ALL EIGHT COUNTRIES, the incorporation periods produced strong political reactions, and in most cases the regimes under which incorporation had been inaugurated eventually broke down in the face of rising opposition. This chapter analyzes the aftermath of incorporation, focusing on this regime change and the reshaping of state-union-party relations that accompanied and followed it.

The two broad types of incorporation periods—state and party incorporation—triggered distinct political reactions. In Brazil and Chile, state incorporation had been antidemocratic and antimobilizational. It had been carried out under authoritarian regimes, and this authoritarianism generated substantial opposition that culminated in the restoration of competitive, electoral regimes. Under these new regimes, the question of the political role of the working class, postponed rather than answered in the incorporation period, had to be addressed anew. The repoliticization of the working class, and of the parties and other channels through which labor would participate in the new competitive regime, emerged as major political issues.

The countries that experienced party incorporation followed a contrasting pattern. Party incorporation had been reformist and mobilizational and had occurred under regimes that were in most cases more democratic.[1] The opposition movements that emerged were conservative and oriented toward political demobilization. In Argentina, Peru, and Venezuela, the incorporation period was brought to an end by a military coup that ousted the reformist governments and inaugurated a period of counterreformist military rule. In Uruguay and Colombia, the incorporation period ended with a relatively mild conservative reaction under the existing civilian regime, followed later by a coup that pushed the conservative reaction even further. In Mexico alone the incorporating party managed to stay in power, and under its own leadership the reformism of the incorporation period was brought to a halt.

In sum, except for Mexico, the aftermath of party incorporation can be traced out in two steps: (1) a conservative reaction in which the party or leadership that led the incorporation period fell from power and (2) an initial

[1] As we saw in Chapter 5, in Mexico, Uruguay, and Colombia, the incorporation periods occurred under more-or-less competitive regimes. In Argentina, Venezuela, and Peru, the incorporation periods were initiated under authoritarian regimes or regimes whose electoral credentials were dubious. Yet the leaders of these incorporation projects later consolidated their power in relatively free elections. Among these latter three cases, only in Argentina did the regime subsequently become authoritarian during the incorporation period.

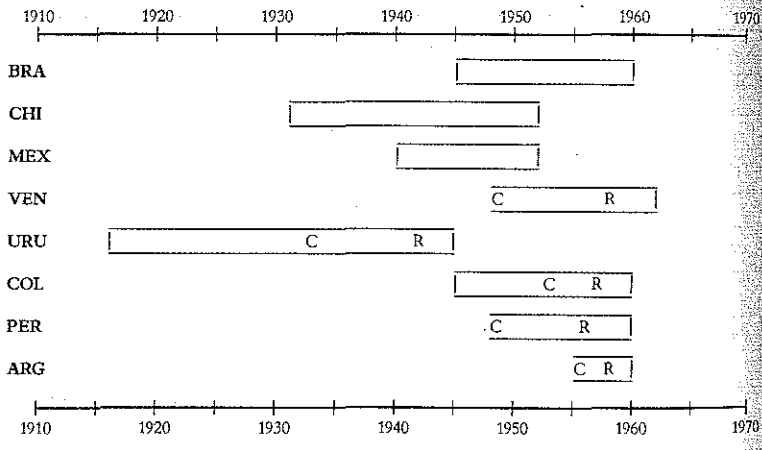
period of a restored, competitive regime, during which a number of measures were initiated to ensure that the polarization of the incorporation period would not recur. Though in Mexico the incorporating party remained in power, that country experienced the same political changes as the other countries in this last period.

The analysis of the aftermath period covers the following years (see Figure 6.1): in Brazil, from the fall of Vargas in 1945 to 1960; in Chile, from the fall of Ibáñez in 1931 to 1952; in Mexico, from 1940 to 1952, a period which saw a self-transformation of the governing party in a conservative direction; in Venezuela, from the 1948 coup, through the restoration of a competitive regime in 1958, to the early 1960s; in Uruguay, from the halt in the reform effort in 1916, through the coup of 1933, through the restoration of a competitive regime in 1942, to the mid-1940s; in Colombia, from the resignation of López in 1945, through the coup of 1953 and the restoration of a semicompetitive, civilian regime in 1958, to roughly 1960; in Peru, from the 1948 coup, through the restoration of a semicompetitive regime in 1956, to roughly 1960; and in Argentina, from the coup of 1955, through the restoration of a semicompetitive regime in 1958, to roughly 1960.

Aftermath of State Incorporation

For the cases of state incorporation, the analysis begins with this restoration of competitive regimes in 1945 in Brazil and 1931 in Chile. In these cases, a crucial item of "unfinished business" from the earlier incorporation period

Figure 6.1 Chronological Overview of Aftermath Periods



Notes: For countries that had coups after the incorporation period, C = coup, R = restoration of a more competitive regime.

was the *political* role of the working class. The depoliticization of the incorporation periods had provided only a temporary resolution of this issue. From the point of view of the labor movement, the political opening represented a new opportunity for political participation and influence, and in this new context the repoliticization of the working class occurred quickly. As a concomitant of the prior depoliticization of the incorporation period in Brazil and Chile, the incorporation experiences had not left a legacy of deeply ingrained political ties between the union movement and a multiclass party or party bloc that was capable of holding power. Hence, in the aftermath of state incorporation, workers' political affiliations were less well-defined, and in that specific sense the labor movement had a greater degree of political independence. In this context, the repoliticization and radicalization of the working class occurred quickly. In both countries during this period, the Communist Party achieved substantial success in attracting worker support, and a significant challenge to state-controlled unions was mounted, though the pace at which this took place and the degree of success were not as great in Brazil, at least in part because of the reimposition of state controls.

From the point of view of reformist elements within the political elite, one of the problems in the aftermath of state incorporation was the absence of the type of political party—commonly referred to as populist—that had been created or reinforced in many cases of party incorporation: a multiclass party with strong ties to the working class that could potentially be a vehicle to generate support for reform. To address this problem, reformers who had previously been leaders during the earlier periods of state incorporation—that is, Vargas in Brazil and Marmaduque Grove in Chile—now established such parties, which successfully gained influence within the working class. However, unlike most of the parties that had led party incorporation, these postincorporation parties in the cases of state incorporation—specifically the PTB in Brazil and the Socialist Party in Chile—never achieved a majority position. Rather, they became junior partners in political coalitions headed by other, center or center-right parties. Characteristically, during elections these coalitions had a populist character, but once the government was in power the actual practice of policy-making shifted toward the orientation of the accommodationist alliance that had been worked out during the incorporation period. Eventually, these experiments in "populism" failed with the discrediting of the coalitions and the radicalization of the populist parties. Here again, this process went further in Chile.

We define the aftermath period for Brazil and Chile as corresponding to this aborted experiment with coalitional populism, which ended in 1960 in Brazil and in 1952 in Chile. Two features mark this failure. First, the populist party (or important factions within it), and especially its working-class base, was insufficiently rewarded for its electoral support and began to reject the collaborative, coalitional strategy in favor of more radical orientations. Second, the center or center-right party that held the predominant position in these coalition governments could no longer hold on to power. With the collapse

of these attempts, a process of polarization, set in motion during the aftermath period, subsequently became a central feature of political life.

Aftermath of Party Incorporation

For the cases of party incorporation, two issues were pivotal in the aftermath period. The first was the conservative reaction, with its counterreformist policies that in most cases included the marginalization or repression of the party and unions that had earlier played a key role in the incorporation period. The second was the terms under which these parties would subsequently be readmitted to the political game—or, in the case of Mexico, would be capable of continuing in power. The conservative reaction to incorporation made clear the limits to reformism and also the inability of the political system to deal with the opposition and polarization engendered by it. This situation gave rise to various attempts to avoid future polarization by constituting a broad centrist coalition that could consolidate civilian rule. Accordingly, party leaders oversaw a number of changes in the parties that had led the incorporation periods. We will focus on three dimensions of party evolution, which occurred to varying degrees among the cases: (1) a programmatic shift toward the center; (2) the expulsion or departure of the left; and (3) the success of the party, despite its conservatization and loss of leftist support, in retaining its mass constituencies, specifically its ties to the working class, and where relevant the peasantry, encompassing both electoral support and party-union organizational ties.

Another aspect of the attempts to ensure that a return to, or consolidation of, civilian rule would not lead to a repetition of polarization was the adoption of conflict-limiting mechanisms. One such mechanism, used by the military in Peru and Argentina, was the ongoing ban on the incorporating party, even after civilian rule was restored. Another, adopted by the political parties in Venezuela and Colombia, was a pact or accord through which they agreed to limit political conflict among themselves. A third, found only in Mexico, where alone the incorporating party remained in power, was the strengthening of a one-party dominant system. These differences among the countries point to another: the role of the party in overseeing the political transitions of the aftermath period. This was weakest in Argentina and Peru, strongest in Mexico, and intermediate in Venezuela, Uruguay, and Colombia.

The different experiences in the aftermath of party incorporation are summarized in Table 6.1. In Mexico and Venezuela, the party that had earlier led the incorporation period maintained at least a relatively dominant position in this transition. These parties gave up important parts of their earlier reform programs in exchange for retention of, or renewed access to, power, and they successfully used state resources to retain much of their mass worker and peasant base. A contrasting pattern is found in Peru and Argentina, where the incorporating party played a far more subordinate role in the transition, in the context of some form of ongoing ban of this party. Uruguay and Colombia are in a sense intermediate cases, with the party that led the incorporation period playing a more nearly "coequal" role in the transition with the other traditional party in these two-party systems (or, in the case of Uruguay, a faction of that party).

An Antiunion Variant of Populism

In introducing the cases of party incorporation, we wish to call attention to an additional theme that emerged in the aftermath period. We have noted that the military presidents who led this period of conservative reaction in part carried out a "negative" political project, attempting to undo the reforms, popular mobilization, and populist coalition that derived from the incorporation period. In addition, in the late 1940s and early 1950s Rojas in Colombia, Pérez-Jiménez in Venezuela, and Odría in Peru had a "positive" political project, through which they sought to build their own base of working-class support.[2]

The nature of these three projects merits particular attention here because they were shaped by an important international conjuncture in a way that represents an interesting cross-fertilization between the incorporation period in Argentina and the aftermath period in the other three countries. In the 1940s and early 1950s, Peronism posed a dramatic model of the methods that could be used by a military leader to generate working-class support, and Peronism's salience for Pérez-Jiménez, Rojas Pinilla, and Odría was reinforced to some degree by Perón's deliberate efforts to export the model. However, what was absolutely essential to the original was missing in the copies: the underlying political logic and the method of achieving power in the first place.

Perón had come to power in Argentina on the basis of the vigorous mobilization of working-class and trade-union support in exchange for major policy concessions. By contrast, the military-leaders-turned-president who imitated Perón had come to power on the basis of precisely the opposite relationship to the popular sector: the demobilization of the organized working class and the systematic destruction of its trade-union organizations. Thus, within the framework of our larger study, Peronism enjoyed the historical advantage of constituting the initial incorporation period in Argentina. By contrast, these imitators adopted elements of Peronism in the context of the conservative reaction to incorporation, and by and large they failed. However, some variation appears among the three cases in the success of these efforts, with Odría in Peru being somewhat more successful.

[2] An even briefer experiment along these lines was undertaken in Chile by Carlos Ibáñez when he returned to power in 1952 (see Chapter 7).

TABLE 6.1
Aftermath of Party Incorporation: Transformation of Party that Led Incorporation Period

	Mexico	*Venezuela*	*Uruguay*	*Colombia*	*Peru*	*Argentina*
Party that led incorporation period	PRM/PRI	AD	Colorados	Liberals	APRA	Peronist
1. Role of party in transition to new regime	Dominant	Strong	Substantial[a]	Coequal[b]	Subordinate	None
2. Pact, accord, or other conflict-limiting mechanisms	Strengthening of one-party dominant system	Punto Fijo and other pacts	Effort to prevent loss of Colorado support to the left	Pact of Sitges and National Front, 1957–58	Partial electoral exclusion of APRA, Pact of Monterrico, and *convivencia*, 1956	Electoral exclusion of Peronism, aborted pact with Frondizi, 1957–58
3. Programmatic shift toward the center	Yes	Yes	No[c]	Yes	Yes[d]	Some[e]
4. Expulsion or departure of left	Yes	Yes	No	Yes	Yes[f]	No
5a. Retention of workers' electoral support	Yes	Yes	Substantial	Yes[g]	Yes[h]	Yes
5b. Retention of union-party link	Yes	Yes	No[i]	Greatly weakened	Yes[j]	Yes[k]
6. Retention of electoral support of peasants and links to peasant organizations	Yes	Yes	No[l]	Defections in some areas[o]	Minimal[m]	No[n]

[a] In collaboration with President Baldomir and the Independent Nationalists.
[b] In collaboration with Conservatives.
[c] Reform renewed in 1940s and 1950s.
[d] Move to center-right.
[e] Fact of being out of power reduced pressure for programmatic homogenization of Peronism and helps explain its relative heterogeneity.
[f] Occurred after failure of APRA insurrection in 1948, then subsequently in 1959.
[g] Transferred to National Front.
[h] With some erosion in the 1960s.
[i] Never existed.
[j] But with significant challenges beginning in the 1960s.
[k] Within framework of poorly institutionalized party. The main organizational locus of Peronism was the CGT.
[l] Rural workers voted mainly for Blancos.
[m] Mainly in vicinity of modern enclaves.
[n] Absence of large peasant sector. Perón had support of rural workers.
[o] Vote largely transferred to National Front.

BRAZIL AND CHILE: ABORTED POPULISM

Introduction

The immediate aftermath of incorporation in Brazil and Chile saw a dramatic change as the authoritarian regime gave way to a period of political opening, with the introduction of both competitive elections and greater trade-union freedom. The authoritarianism of the incorporating regime generated substantial opposition, which finally came to a head amid two different international developments. In Brazil, this was the worldwide onset of a "democratic" period, ushered in by the victory of the Western democracies and the defeat of fascism in World War II. In Chile, the change of government followed the onset of the Great Depression, which perhaps hit Chile harder than any other Latin American country and in the face of which existing regimes were discredited and dramatic regime changes occurred throughout the continent. Under this impetus, a decisive political change was brought about as both Vargas and Ibáñez were forced from power in 1945 and 1931 respectively, and competitive regimes were introduced.

In both Brazil and Chile, the political opening brought to the fore a major issue: the political reactivation of the working class and the question of its political role and participation, which had not been addressed earlier, given the goal of depoliticizing labor during the incorporation period. From the point of view of labor, the reactivation of the working class took place in a context defined by three features of state incorporation: (1) a very constraining, highly corporative, and, as A. Valenzuela (1978:32) said of Chile, an "anti-labor Labor Code"; (2) an official union movement set up and controlled by the government; and (3) the depoliticization of the working class owing to the repression of political parties that articulated working-class demands and to the absence of mobilization of labor support. These features defined the agenda of the working class in the postincorporation period: the attempt to alter the legal constraints under which the union movement operated, the attempt to replace official, state-controlled unionism with independent unions under democratically elected leadership, and the opportunity to repoliticize the labor movement and redefine its political role.

With the political opening and the change to a democratic project, working-class repoliticization occurred rapidly. This was seen first in the substantial electoral success of parties appealing to the working class. In both countries the Communist parties and newly formed populist parties (the PTB in Brazil and the Socialist Party in Chile) stepped into the political void left by state incorporation and made impressive electoral gains.

With the introduction of greater syndical freedom, these parties likewise rapidly gained positions of influence within the unions and among union leadership. Thus, with the liberalization of union elections official unionism began to break down. Because unions were not tied to a major populist party

that held power over substantial periods, as had occurred in some cases of party incorporation, the labor movement retained a type of political independence which facilitated this process of change, compared to, for instance, that of Mexico and Venezuela. Though in both Brazil and Chile the challenge to official unionism was substantial and fast in coming, the countries differed with respect to the degree to which democratic unionism emerged. In Brazil, in the context of both greater continuity in the transition from the authoritarian period to a competitive regime and a stronger state role in suppressing labor reactivation, the breakdown of official unionism occurred only gradually and partially in the subsequent years, whereas in Chile the replacement of official unionism with democratic unionism occurred quickly and pervasively.

Finally, despite the repoliticization and reactivation of both labor movements in this period, neither had much success in changing the labor laws and hence the structuring of and constraints on the union movements and the industrial relations systems in their respective countries. As we shall see, this failure corresponds to labor's more general lack of success in this period in satisfying its demands in the political arena through participation in centrist coalitions pursuing moderate programs.

The repoliticization of the working class was of interest not only to the working class itself. From a comparative perspective this repoliticization represented "unfinished business" from the point of view of the middle sector reformers, since state incorporation, with its emphasis on political demobilization, had failed to address the issue of the political mobilization or participation of the popular sectors. The failure to establish a successful incorporating party meant that there was no official or acceptable channel for working-class electoral mobilization. Thus, the aftermath of incorporation was characterized by a "belated" attempt to establish populist parties to structure working-class participation. These were moderate, multiclass parties that would make a special appeal to the popular sectors, particularly the urban working class, since a basic tenet of the accommodationist modus vivendi was the exemption of the countryside from any mobilization.

Interestingly, this attempt was made by the original leaders of the middle sector reformers. In the case of Brazil, it was undertaken by Vargas himself in the last years of his presidency, when he anticipated the change to electoral politics and set up two parties as his vehicles for making the transition. The first was the PSD, the Social Democratic Party, based, not surprisingly, on the coalition he had put together and the sectors that had benefited under his presidency: bureaucrats and the political machines of the Estado Novo, as well as industrialists, bankers, and landowners. The second was the PTB, the Brazilian Labor Party, founded as the vehicle for labor representation. In Chile, Ibáñez's CRAC had been a failure. It was in existence for a mere year and a half before Ibáñez was forced from the presidency, and he never developed or used it as an important political instrument. In 1930, when Ibáñez formed a National Congress, the seats that were distributed by agreements made among the heads of the various political parties, the CRAC was allo-

cated only a very few positions.[3] Always weak, the CRAC did not survive Ibáñez's presidency. In the aftermath period, the initiative to form new populist alliances combining reformist middle sector leadership with working-class support was then left to the original middle-class reformers, including Ibáñez's initial coconspirators. It first took the form of the Socialist Republic of Marmaduque Grove, which lasted for twelve days. Upon its failure the populist thrust was then rechanneled into the formation of the Chilean Socialist Party, which grew primarily out of the military, out of Alessandri's reformist movement, and out of the ill-fated Socialist Republic of Grove, who himself became the standard bearer of the new party (see Drake 1978:139).

In neither country were the middle sectors united around the new populist party. Rather, they were also—even primarily—associated with other centrist or center-right parties that did not have a large working-class base of support. In Brazil, these middle sector groups were attracted to both the PSD and the liberal, anti-Vargas UDN, whereas in Chile they primarily supported the Radical Party. Thus, the political center was not committed to a populist alliance, but was pulled in two directions, toward both the right and the left.

The change from an authoritarian to an electoral regime, then, produced a kind of competition between two alternative lines of political cleavage or two alternative sets of political alliances. One was the accommodationist alliance, inherited from the previous period, an alliance that united the dominant classes in opposition to the lower classes—or more precisely to the urban lower classes, since the rural lower classes were to a significant degree absorbed in a clientelistic relationship with the landed elite, a relationship that was translated into political and electoral support. The alternative pattern of alliance and cleavage was more sectorally based. It consisted of the populist alliance of the newer middle sectors and the urban working class versus the traditional, oligarchic elite and its rural support base.[4] The middle sectors, while not establishing a hegemonic position in this period, did emerge in a pivotal position from which they could move in either direction, toward either of these two alliances. The centrist middle sectors were thus split between these two possibilities, and their leadership vacillated between them.

Both alliances held out certain advantages to the middle sectors and their political leadership. The preservation of the accommodationist alliance was made attractive by the ongoing economic and political power of the oligarchy. The oligarchy's electoral strength and hence its strength in the national Congress despite its loss of the presidency, its credible potential threat of calling in the military,[5] and the dependence of the national economy on export earnings meant that the right could be isolated and thwarted only at great peril. The populist alliance also had certain advantages. Given the electoral strength and political power of the right, the populist alliance was the strongest basis from which the middle sectors could oppose the right and its orientation toward liberal, laissez-faire economic policies and build a constituency for a more nationalistic, protectionist economic policy that would assign to the state a significant role in promoting industrialization.

This question of the laissez-faire state versus greater state intervention in economic policy and more generally the question of the balance among the sectors of the dominant classes had in a sense been put on the back burner with the imposition of authoritarian rule during the incorporation period. In fact, the substantial reforms and redefinition of the state that had been carried out under the authoritarian regime were not to be reversed. These innovations had not only responded to the needs and demands of a growing constituency, but in turn had also created or accelerated the growth of such a constituency with the increase in the number of state employees and the development of industry dependent on an active state role in economic policy. Furthermore, the traditional elite, whose basic political and economic interests had been protected, had learned that they could accommodate themselves to the new state role. As a result of the creation of this modus vivendi worked out among sectors of the dominant classes, which safeguarded the interests of the traditional elite at the same time that it accomplished the reform of the state, the return to electoral politics was not a return to the status quo ante. Nevertheless, the basic issue of the orientation of economic policy remained a highly politicized question,[6] and the return to power of the traditional elite was a very real possibility, which Vargas sought to prevent precisely by mobilizing an urban working-class support base and engineering voting legislation to this end (French 1989:7). Given the ongoing strength of the traditional elite, which had been safeguarded in the previous period, laissez-faire interests were now, in an electoral period, in a position to exert greater pressure. These interests were in fact very influential in the subsequent governments in both countries and were a major factor in pulling the center to the right.

The postincorporation period, then, was one of tension or competition between two alternative alliance patterns and ultimately the defeat of one of them—the populist alliance. Despite the formation of populist parties, the PTB in Brazil and the Socialist Party in Chile, the ongoing power and influence of the right assured the dominance of the accommodationist alliance.

[3] Urzua (1979:37) gives the figure of 14 seats; Barría (1972:63) puts it at 19.

[4] This is, of course, the same pair of coalitional alternatives discussed in Chapter 4.

[5] The threat of military intervention, quite explicit and even activated during the 1946 Republic in Brazil, is less recognized by analysts in the case of Chile. Though it never surfaced to the same degree in Chile, it was nevertheless an option held in the background and presenting a credible threat. A strong and sustained anti-Communist or anti-Marxist tendency existed within the military, which generally came to be sympathetic to fascism. With the victory of the Popular Front of 1938, there was speculation about military intervention, and though it never occurred, unsuccessful plots throughout the aftermath period did. Some of these plots involved groups with ties to Ibáñez, who himself had ties to some of them (Nunn 1975:273–75; Joxe 1970:78–81; González Videla 1975: 223–25, 1015, 1021–30, 1044; Loveman 1979:275–76, 328, 344; Barría 1971:36, 39).

[6] In analyzing the politics of 1945, Vianna (1976:252) has emphasized the importance of the "national" question and the opposition of commercial, financial, and agricultural export sectors to the national industrial orientation of Vargas.

The period was characterized by the electoral predominance of the PSD in Brazil and the Radical Party in Chile. Yet both these parties were interested in attracting working-class electoral support and hence became attracted to the possibility of an electoral alliance with the new populist parties. Hence the aftermath of state incorporation was characterized by experimentation with such alliances between the center and a repoliticized labor movement and working class attracted to both the Communist parties and the new populist parties.

The experiment with these alliances began cautiously following the transition from the authoritarian regimes to more open, competitive regimes. These transitions were problematic and uncertain in both countries. Nevertheless, Brazil underwent this transition with somewhat greater continuity, whereas Chile experienced greater discontinuity and a more difficult transition period before institutionalized patterns of civilian government were established. Vargas had been able to anticipate the kinds of changes demanded by the opposition. During the last years of his government, 1943–45, he moved to redemocratize the country, announced elections, and sponsored two political parties, the PSD and the PTB, which together embraced the forces that supported him and which became two of the most important actors on the political scene during the 18-year life of the republic established in 1946. Though in 1945 Vargas himself was forced from power, the transition to more open, competitive politics took place within the framework he had established and power passed formally to the two parties associated with him. As one of the political actors observing the transition noted, the coup that ousted Vargas was "*sui generis* because power was not handed over either to the military or to the opposition" (quoted in Nunes and Geddes, 1987:108). Rather, this military intervention oversaw the reinstallation of the Vargas machine, this time in a democratic guise.

Despite the changes that did occur in the Brazilian transition—the forced resignation of Vargas and the atmosphere of crisis surrounding the succession—the transition in Chile was even more abrupt. Ibáñez too was forced to resign the presidency amid widespread agitation and demonstrations calling for his resignation and the withdrawal of military support for him. Unlike Vargas, he had done little to anticipate the end of authoritarian rule and to set up structures or vehicles for the transition to competitive politics. The established parties, which Ibáñez controlled and manipulated during his presidency, asserted their independence when his power was in decline, and his CRAC, "the closest thing to an Ibañista party," remained small and weak and collapsed with his fall from power (Nunn 1970:156). Without party continuity, the transition period in Chile was more complex and prolonged.

Following the transitional governments that replaced Vargas in 1945 and Ibáñez in 1931 and oversaw competitive elections, conservative governments representing the accommodationist alliance came to power in both countries. In Brazil, this was the government of Dutra, the PSD candidate, who represented the accommodationist coalition put together by Vargas: the local political bosses from the Old Republic, bureaucrats, landowners, bankers, and industrialists who favored the new, activist state (Roett 1978:74). In Chile, the 1931 elections produced a victory for Montero, Ibáñez's minister of interior, who was supported by all the major center and right parties, Radical and Democratic as well as Liberal and Conservative (Pike 1963:209). Thus, though no single party in Chile reflected the accommodationist alliance as the PSD did in Brazil, the accommodationist alliance nevertheless survived the return to competitive party politics with the decision of the traditional Liberal and Conservative parties to support a bland and nonthreatening Radical candidate.

The transition in Chile, however, was not so simple. In the face of the economic crisis produced by the world depression following the 1929 crash and Montero's inability to develop an effective program, there was a very brief hiatus in the ascendancy of the accommodationist alliance. With the growth of widespread opposition to Montero's ineffectiveness and rightward drift, conspiracies against his government were formed, and in June 1932, a military coup led by Marmaduque Grove overthrew Montero and established a junta that declared the "Socialist Republic." The Socialist Republic was populist in orientation, "a moderate, rather middle-class breed of socialism, more radical in appearance than actuality" (Drake 1978:76). Nevertheless, it threatened the upper class and after just 12 days was overthrown. The brief Socialist Republic was an important event in the development of Chilean populism. To build popular support, progovernment committees were formed at the local level and extensive mobilization, particularly of the working class, was undertaken (S. Valenzuela 1979:569). It was out of the coalescence of these groups that Grove formed the Socialist Party, a moderate rather than Marxist party, which, Drake (1978:11, 13–14, 74–80, 93–95) convincingly argues, was best characterized as populist.

The government that succeeded the Socialist Republic was headed by Dávila, the most moderate member of the original three-man junta, who "tried to revive Ibáñez's model of development" (Drake 1978:71, 82) and presumably the accommodationist alliance upon which it was based. Military government, however, had been discredited and the transition to a democratic regime was still on the agenda. Both Dávila and his military successor were turned out of the presidency, and new elections were held on 30 October 1932 to return the country to civilian rule. These elections brought back to power Alessandri, whose political base was located in the centrist Radical and Democratic parties (Drake 1978:92).

Both the Dutra and Alessandri governments were conservative ones that preserved the accommodationist alliance, rejecting the possibility of putting together a populist coalition. The exclusion of a populist base of support in the working class soon became clear even though in Brazil the PTB endorsed Dutra and may have been decisive in his victory (Harding 1973:177), and in Chile, Alessandri, known as the "Lion of Tarapacá" in 1920 for being the first presidential candidate in Chile to make an electoral appeal to the working class, claimed that he was "the same as in 1920" (cited in Drake 1978:91) and tried to repeat his earlier working-class appeal. The strength of the ac-

commodationist alliance, however, precluded the emergence of the populist alliance that seemed to be inherent in these facts. In the event, the conservative orientation of both governments soon provoked widespread opposition from the working class.

Following these conservative governments, governments that appeared to be more reformist came to power: the second government of Vargas, who ran as a PTB candidate in 1950, and the Popular Front government of Aguirre Cerda of 1938. These governments were based more explicitly on the populist parties (and, in the case of Chile, the Communist Party as well). However, given the ongoing strength of the oligarchy, including its strength in Parliament, once these governments were in office the centrist parties were at least as oriented toward an accommodationist coalition as toward a coalition with the populists. Therefore, the populist party remained a very junior partner in the coalition. In subsequent governments the position of the populist parties was even weaker. As a consequence, they failed to extract enough for their collaboration to satisfy the working class, and during this period (the 1950s in Brazil and the 1940s in Chile) an increasingly radicalized, noncollaborationist tendency emerged within the party and the trade-union movement. In each country, this was reinforced by a relatively powerful Communist Party that competed for working-class loyalty and support, though in Brazil it had to do this from an underground position. Disappointed with coalition politics and influenced by the Marxism of the Communist parties, the populist parties developed important left wings. A process of polarization began, and the period ended with the abandonment of the discredited pattern of coalition politics.

It is thus useful to analyze developments in Brazil and Chile in terms of three phases experienced by both countries. These phases are presented in Table 6.2. Too much should not be made of the unfolding of these three stages, as they seem primarily to be conjunctural coincidences rather than systematic consequences of the model of incorporation. Nevertheless, we will use them to guide the following analysis.

What does seem to be a systematic outcome of incorporation, however, can be described in terms of two dynamics that occurred over the course of these three stages. The first is the political reactivation of the working class. The political opening led to the politicization of the labor movement as both

TABLE 6.2
Phases of the Aftermath in Brazil and Chile

	Brazil	*Chile*
Conservative governments	Dutra (1946–51)	Alessandri (1932–38)
Populist attempts	Vargas (1951–54)	Aguirre Cerda (1938–41)
Coalition governments	Kubitschek (1956–61)	Ríos (1942–46) González Videla (1946–52)

Communist parties and new populist parties entered the political void left by state incorporation, attracted electoral support among workers, and achieved substantial influence in the trade unions. The result was a disintegration of official unionism, though this went much further and occurred much more rapidly in Chile. On the other hand, as we shall see, the new democratic union leadership in Chile brought the labor movement into the framework of the labor code and broke the resistance within the labor movement to legalization under the terms of the code.

The second theme is the failure of populism. Populist parties were "belatedly" formed, and they entered populist alliances with center or center-right parties. However, unable to bring about a sufficiently reformist policy orientation, populism became discredited. The alliances began to come apart, and toward the end of these periods the populist parties began to rethink their orientation. In Chile, the discredited Socialist Party began to reorganize as a more clearly Marxist and class-oriented party. In Brazil, where the parties were more heterogeneous and less ideological, the reorientation to a more radical and less collaborationist position was taken by the PTB, particularly its left wing, which was closest to the working class. At the same time, other, more class-conscious groups were forming within the union movement. Thus, with the reactivation of the working class and the collapse of the populist alternative, the stage was set for increasing polarization.

Labor Reactivation under Conservative Governments

In both Brazil and Chile, the transition from the authoritarian period of incorporation to a civilian electoral regime saw a dramatic political reawakening of the working class and rapid growth of influence of both the Communist parties and the newly founded populist parties. In Brazil, this occurred at the end of the Estado Novo, when Vargas oversaw an important political opening and was instrumental in founding the populist PTB. It has been suggested that this opening, in which Vargas sought to mobilize a working-class support base, provoked the military coup that ousted him, and that although it cannot be understood apart from the diffusion of democratic norms and the international politics that attended the end of World War II, this change in regime may have been not only an antifascist, prodemocratic move, but also "an instinctive defensive reaction by the more conservative elements of Brazilian society against . . . the recent transformation of the Estado Novo" (Jaguaribe 1965:171). In Chile, as we have seen, the conservative government elected after the coup against Ibáñez fell in turn to a military coup, and the Socialist Republic was declared. Though the life of the Socialist Republic was counted in days and its orientation was more moderate and populist than radical and Marxist, it had the effect, like the opening overseen by Vargas, of alarming the right. Accordingly, the next governments elected in both countries were conservative, representing a reassertion of the accommodationist coalition in reaction to the uncertainties of the electoral and political

cessions to the working class. By 1952 in Chile and by 1960 in Brazil, the labor movement and those parties, or tendencies, that attracted working-class support began to move away from a position of collaboration with centrist parties. Thus, the attempt to create a hegemonic multiclass populist party—or even a looser form of populist coalition—did not succeed in these two cases, due to the dynamics set in motion by the strategy followed in the incorporation period, that is, an accommodationist strategy rather than a mobilizational strategy.

MEXICO AND VENEZUELA: TRANSFORMATION OF THE MAJORITY COALITION

In Mexico and Venezuela, the radical populism that characterized the period of party incorporation provoked a strong conservative reaction from many quarters, and substantial political polarization ensued in both countries. With mounting counterreformist opposition, the incorporation period came to an end in Mexico with the election of a more conservative successor to Cárdenas in 1940 and in Venezuela with the military coup that ousted the AD government in 1948. The aftermath of party incorporation involved the working out of the conservative reaction and the effort to put a halt to the polarization that threatened political stability on a long-term basis. In Mexico and Venezuela this was done more successfully than in the other cases of party incorporation. About a decade after the end of the incorporation period, a transformed populist party, representing a broader, more conservative coalition, oversaw the institutionalization of civilian rule, fortified with the political resource of popular sector support that enabled it to stabilize the system by preventing or defeating challenges by the left. These political resources included most importantly the maintenance of a populist alliance between organized labor and the state, effected through the governing party (Mexico) or parties (Venezuela). During the aftermath period, however, the nature of the alliance changed significantly in the course of the working out of the conservative reaction.

In Mexico, the transition was characterized by greater continuity than in Venezuela, as Cárdenas himself responded to the kinds of demands being made by the opposition. Aware of the extent and depth of the reaction his government had generated, Cárdenas moved to appease his opponents and preserve the political order of the incorporating party-state that he had constructed by acquiescing in and legitimating the candidacy within the party of a more conservative successor over the more reformist heir apparent in the 1940 elections. In this way, and very probably with the aid of a fraudulent election, the transition away from radical populism to a more conservative government was accomplished within the same institutional framework.

Important changes and discontinuities did occur, of course, in the Mexican transition: the replacement in power of a progressive coalition by a conservative one and the atmosphere of crisis surrounding the succession are not to be belittled. Nevertheless, the transition in Venezuela was considerably more abrupt. As in Mexico, right-wing conspiracies against the populist government proliferated. In the face of this threat from the right and in response to the prospective decline in oil revenue and the consequent decision to adopt policies to help make Venezuelan manufacturing more competitive, the AD government revised its labor policy. It became concerned to hold down wages and moved more explicitly toward a position that opposed strikes and advocated a position of class-harmony (Ellner 1979:120–24). Un-

like the situation in Mexico, however, these moves to call off radical populism and occupy the political center did not prevent a right-wing coup, which brought down the government in 1948. Thus, in Venezuela the conservative reaction resulted in the ouster of the AD government, the banning of the party, and the repression of labor unions, while in Mexico the conservative reaction was in a sense internalized by the party, which continued to hold power.

The conservative reaction arose in opposition both to the substantive reforms and also to the state-popular sector alliance that had been central to radical populism. Radical populism, as we have seen, did not involve an anticapitalist orientation, though in the case of Mexico collective ownership among the peasantry and, more occasionally, among workers was advocated. Rather it was an attempt by a reformist faction of the political elite to gain power and to attain the political resources to carry out its program by mobilizing popular support. Nevertheless, although the reforms took place within the context of state support for capitalist industrialization, the mobilization of the working class entailed more concessions than important sectors of the bourgeoisie were willing to grant. The concessions and reforms also alienated other groups whose interests were adversely affected, such as large landowners whose land was expropriated, and the Church, which opposed the educational reforms and other measures that sought to decrease its influence in society.

Opposition to the substantive program of reform was accompanied by the opposition of these groups to the emerging *form* of politics, that is, by the emergence of an ascendant state-popular sector alliance that was embodied in a dominant and exclusive political party. In Mexico, the PNR/PRM stood virtually alone during the incorporation period, with the exception of a few ephemeral groups, and monopolized official political life. In Venezuela, other parties were formed—parties that participated in elections during the Trienio and that would become institutionalized in Venezuelan politics. Nevertheless, with the overwhelming victories achieved by AD in the elections, it too moved toward a monopolization of political life. As Lieuwen (1961:87) stated, "AD was too strong, and as a consequence tended to become too dominant, too uncompromising. . . . The Government tended to become an exclusive AD preserve."

The opposition thus had the goal not only of terminating the reforms of radical populism but also of dismantling precisely that which was distinctive about this type of incorporation period—the alliance between the state and the popular sectors, as embodied in the populist party. This was particularly clear in the case of Venezuela, where AD was banned by the military government that took over in 1948. In Mexico, although the party retained power, the diverse sectors that supported the opposition candidate Almazán in the 1940 elections found common ground in their opposition to the state coalition that had been put together under Cárdenas and from which they had been excluded. These included the industrial bourgeoisie, particularly around Monterrey, which was not dependent on the state and had opposed

the pro–working-class orientation of the Cárdenas regime; the professional and middle classes, who were liberal, favored parliamentary democracy, and opposed socialism; and independent trade unionists who resisted such close political collaboration on the part of labor and the organizational linking of their unions to the state party.

Despite the opposition to the populist alliance, in both countries the alliance was preserved or, in the case of Venezuela, reconstituted after the military interregnum. The dominant part of the labor movement continued to favor cooperation with the state and the maintenance of the multiclass coalition. Not all labor groups accepted the logic of collaboration. Dissenting views arose particularly as the cold war developed and intensified and as the party's commitment to reform receded. Nevertheless, with the political resources that accrued to the aftermath governments, derived from the earlier mobilization of working-class support and from the ties that had been established between labor and the populist party, the noncollaborationist faction of the labor movement was marginalized. The position of the peasantry in the populist alliance was also retained, and in both Mexico and Venezuela the peasantry became the most solid base of support for the PRI and AD respectively.

From the point of view of the labor movement, populism had done three important things that helped to preserve this alliance. First, it created the conditions that made collaboration look attractive to at least the dominant sector of labor. The dynamics of populism led to the offering of benefits and advantages that acted as inducements for labor to enter a political coalition with the middle sector political leadership and to view such collaboration as maximizing labor's influence within the state. In Mexico, this orientation toward collaboration with the state on the part of one faction of labor was initially reinforced by the popular front policy of the Communist faction. Second, during the incorporation period, steps were taken to institutionalize this multiclass coalition and the incorporation of labor in a political party that became the channel of popular sector political participation. Third, the very process of offering these benefits and forging this coalition led to the opposition of large sectors of the upper and middle classes, to the isolation of the state-popular sector alliance, and to conservatizing pressures. This conservative reaction may have enhanced the argument favoring the tactic of union support for the party, for such collaboration was seen in some labor quarters as necessary to oppose the counterreform movement in the case of Venezuela and as necessary to retain influence on government in an effort to prevent even more severe reverses in the case of Mexico.

From the point of view of the political leadership, the state-labor alliance also remained valuable as a source of both political support and political control over the labor movement. However, the form of the alliance and the balance of power within it was no longer considered appropriate. Thus, though the state-labor alliance was preserved, it was considerably transformed as a result of the reaction of political leaders to the conservative reaction. In this context, the narrower populist alliance was replaced by a

broader one more nearly approaching a coalition of the whole. The conservative reaction showed the limits of radical populism and the contradictions of pursuing such reform within the context of a capitalist state. It pointed to the necessity, within this context of a capitalist state, of avoiding such polarization, of including the bourgeoisie and middle sectors in the dominant political coalition, and thus of forging a new multiclass coalition, this time displaced toward the right.

In these two countries, the effort of political leaders to combat the conservative reaction in order to either retain (Mexico) or first regain and then maintain (Venezuela) power included all four components outlined in the introduction to this chapter. The first was programmatic. The loyalty of the alienated dominant classes would be won with the adoption of many of their policy prescriptions, in short, with the substantial easing up on reforms and a policy turn to the right. The second was the exclusion of the left from the alliance. The third was the retention of the alliance with the popular sectors (urban and rural) and the continued incorporation of labor as a support group. The fourth was institutional: the establishment of conflict-limiting mechanisms that would help avoid the polarization that had resulted in the toppling of the AD regime in 1948 and that threatened PRM dominance in 1940. In Mexico, the mechanism employed was the strengthening of the one-party dominant system. In Venezuela, the mechanism was the functional equivalent, the party pact. Daniel Levine's (1978:94) description of the pattern of elite negotiation and compromise that was institutionalized in the Venezuelan regime is equally apt for the Mexican case; it was a pattern of conflict resolution in which "privacy, centralization, and control were the watchwords."

These changes occurred in Mexico during the next two presidencies of Avila Camacho (1940–46) and Alemán (1946–52). In Venezuela they occurred after the interim of authoritarian rule, when civilian government was restored and AD returned to power in 1958.

MEXICO

Mexico was the only case of party incorporation in which the conservative reaction did not ultimately culminate in a coup. Nevertheless, similar dynamics characterized the aftermath period in Mexico, since the political logic of retaining power in that country was very similar to the political logic elsewhere of returning to power on a more secure and durable basis. Accordingly, though the party remained in power, it underwent the same process of conservatization as the other incorporating parties that had been ousted from government. Furthermore, a similar consequence of the polarization in Mexico and elsewhere was the introduction of conflict-limiting mechanisms. In the other countries, these took the form either of the continued exclusion of the incorporating party from power (Argentina and Peru) or of a party pact by which the incorporating parties agreed to limit political conflict upon their resumption of power. In Mexico, perhaps because there alone the party remained in power, the structural response to prevent a recurrence of polarization was distinctive: it took the form of institutionalizing a one-party dominant regime.

Because in Mexico the PRM remained in power, it is not relevant to address separately the period of conservative reaction when the incorporating party fell from power. Instead the analysis will depart slightly from the outline followed in the other cases of party incorporation and proceed immediately to the formation of a new governing coalition and the four components of this change outlined above.

Programmatic Shift toward the Right

In Mexico, the programmatic shift to the right to recapture the loyalty of the alienated economic sectors began immediately in the post-Cárdenas years and indeed could already be detected in some of the policies adopted toward the end of the Cárdenas presidency itself. After 1938 and the economic downturn that resulted in part from the expropriation of oil (as well as the increasing political opposition to the social reforms and to the state alliance with the popular sectors), Cárdenas's relations with the popular sectors began to change. He began to call for industrial peace, struck notes of class harmony, and sent in the army to put down strikes. At the same time the rate of land distribution to *campesinos* began to fall off. Furthermore, Cárdenas acquiesced in the choice of, if he did not actually choose, Avila Camacho as his successor over more reformist alternatives. Nevertheless, the presidency of Avila Camacho beginning in 1940 constitutes a decisive break with the more reformist Cárdenas period.

On the most general level, the change in policy represented a shift in emphasis from social reform to industrial modernization. Industrialization be-

URUGUAY AND COLOMBIA: REINFORCING TRADITIONAL TWO-PARTY SYSTEMS

Whereas in three other cases of party incorporation (Venezuela, Peru, and Argentina) the incorporation period ended dramatically with a coup and a period of military rule, Uruguay and Colombia experienced a more gradual transition to the full conservative reaction. In both countries incorporation ended under a less progressive president of the same party that had led the incorporation project: in Uruguay in 1916 under President Viera of the Colorado Party, and in Colombia in 1945 with the presidency of Lleras Camargo of the Liberal Party.

Subsequently in Colombia, the growing strength of the populist Gaitán faction of the Liberals split the Liberal Party in the 1946 presidential election and gave the Conservatives the opportunity to win the presidency. The first three years under the new Conservative President Ospina saw an effort to sustain bipartisan cooperation, which basically maintained a situation of partisan impasse. It was not until 1949, the year after the explosion of violence that followed the assassination of Gaitán, that this cooperation collapsed. A period of vigorously anti-Liberal policies emerged, later followed by the coup of Rojas Pinilla in 1953.

Uruguay, following its incorporation period, experienced a far longer impasse between the Batlle forces and their conservative opponents, which lasted from the second half of the 1910s to the late 1920s. At that point, an unsuccessful attempt to renew the Batlle reform program deepened the conservative reaction, ultimately culminating in the coup of 1933.

The polarization and conservative reaction in the two countries differed greatly in their degree of partisanship. In Colombia this reaction had a major ideological and programmatic component, but also reflected the intense partisan response of the Conservatives to the Liberals' attempt to establish one-party dominance during the incorporation period. In this sense the Colombian experience paralleled that of Mexico and Venezuela, where the partisan monopolization of power by the incorporating party likewise played a large role in stimulating the conservative reaction. Thus, in Colombia, with the collapse of bipartisan cooperation in 1949, the Conservatives sought to eliminate any role of the Liberal Party within the state.

In Uruguay, by contrast, the reaction to incorporation was not so much along partisan lines as along ideological and programmatic lines, reflecting a bipartisan response that cut across the Colorados and the Nationals. Thus, the forces that brought an end to the incorporation period in 1916 and the coalition that took power with the coup of 1933 included elements from both parties, and after 1933 the opposition to the more conservative government of Terra included the progressive wing of both parties.

The level of violence during the aftermath period also differed greatly. Uruguay experienced virtually no violence, whereas Colombia experienced more than any other country, consisting of the extraordinary outbreak of conflict

known as La Violencia. This outcome might seem surprising, because Colombia traditionally had a weak labor movement and the scope of labor mobilization during the incorporation period had been modest. The extreme violence associated with the aftermath in Colombia had roots that extended back before the incorporation period, and it must be understood in light of a deeply ingrained trait of Colombian politics: power shifts between the parties at the elite level tended to resonate at the mass level, particularly in rural areas, in the form of intense eruptions of partisan strife. At the same time that the violence had deep roots, issues of labor politics played an important direct and indirect role in triggering this specific episode. The partisan conflict of the 1940s grew out of the incorporation and reform period that began in 1930, which in turn had been launched in important measure over the social question. Further, the assassination in 1948 of Gaitán—who was closely identified with labor reform—played a role in triggering the strife of the late 1940s, as did the volatile relationship between the progressive wing of the labor movement and the Liberal Party in that period. Thus, both this longer tradition of conflict and labor issues are essential to understanding the violence that began in the late 1940s.

The transition at the point of the restoration of a more competitive regime, in 1942 in Uruguay and in 1958 in Colombia, also differed markedly between the two countries, given this contrast between ongoing bipartisan cooperation in Uruguay versus the collapse of bipartisan cooperation in Colombia, and also the contrast in the level of violence. In Colombia, following the intensely partisan civilian dictatorship of the Conservative president Laureano Gómez and the military dictatorship of Rojas Pinilla, both accompanied by extraordinary levels of rural violence, the challenge of ending partisan strife was particularly great. Correspondingly, an elaborate and highly formalized political compromise was engineered in the late 1950s, to the point that a specific pattern of future alternation of partisan control of the presidency was literally written into the constitution. In this compromise the Liberals committed themselves to a type of bipartisan cooperation that left little room for the party's earlier reform agenda or mobilization policies. This compromise also served to strongly reinforce the dominance of the two traditional parties.

Uruguay did not face an equivalent challenge of dealing with partisan antagonisms or widespread violence, and the adjustments and compromises accompanying the restoration of a democratic regime in 1942 were far more limited. The progressive wing of the Colorado Party did not have to give up its earlier reform agenda, and a new period of reform began soon after. The 1942 transition in Uruguay was parallel to that in Colombia, however, in that it reinforced the traditional party system.

In the context of this reinforcement of the established two-party pattern in both cases, important similarities also existed between the Colombian Liberals and the Uruguayan Colorados in their ongoing electoral and organizational relationships with urban political constituencies. Both parties retained the labor vote they had courted during the incorporation period, and both had weak organizational ties with the labor movement.

vanized the Liberals' effort to push the Communist unions out, with gover[nment] ment support, at the 1960 congress.[47]

Nonetheless, the close relationship between the CTC and Liberal Par[ty] during the earlier incorporation period was never fully restored. Although the CTC's leadership, especially after 1960, was mainly Liberal, and though some union members appeared, as individuals, on Liberal electoral lists, the two were not formally linked and the CTC occasionally acted contrary to the wishes of the Front governments. One reason for this loosening in the labor-party relationship was that the labor movement became less important as an electoral ally during the Front period. More importantly, however, the Liberal Party, by participating in a coalition government, could not afford to associate too closely with the CTC, for fear of alienating Conservative allies. Relations between the UTC and the Conservative Party were also eroded, and the type of relation that had earlier existed between the UTC and the Conservative governments of Ospina and Gómez was not revived. After the beginning of the National Front, the Church became increasingly less partisan, and the UTC followed suit. As a result, in comparison with several other countries, the Colombian trade union movement developed a relatively high degree of autonomy from political parties (Dix 1967:333–34, 337).

[47] F. González 1975:52–54; Caicedo 1971:129–33; Martz 1964:323; Dix 1967:273–74.

PERU AND ARGENTINA: "DIFFICULT" AND "IMPOSSIBLE" GAMES

In comparison with other cases of party incorporation, the conflict-limiting mechanisms of the aftermath period in Peru and Argentina took a distinctive form. Although a more competitive, civilian regime was restored following the military government that led the conservative reaction to incorporation, under this civilian regime severe restrictions were placed on the electoral role of the parties that had led the incorporation project—APRA and Peronism.

These restrictions were less harsh in Peru than in Argentina. In Peru, some Apristas were allowed to run on an independent list and were elected to the national Congress in 1956, and after 1956 APRA had a significant presence in the Congress. The party was legalized after the 1956 presidential election and was allowed full electoral participation in the 1960s, except that there was an ongoing veto of the assumption of the presidency by APRA, and particularly by Haya de la Torre, the party's founder and leader. Though partially proscribed in the electoral sphere, APRA was permitted to play an active role in the syndical arena. In Argentina, Peronism was subjected to more severe electoral restrictions, although it was likewise permitted to function in the syndical arena.

This shared pattern of ongoing electoral exclusion created distinctive dynamics. It produced in Argentina what O'Donnell (1973:chap.4) suggestively called an "impossible game" of politics, which revolved around the dilemma that the party that had previously held a majority position within the electorate was not allowed to win elections. By contrast, the situation in Peru might usefully be labeled a "difficult" game, which allowed more scope for the normal functioning of politics, but within limits that likewise produced recurring political crises. Along with these crises, for present purposes some of the most important consequences of these impossible and difficult games are seen in their implications for the internal dynamics of Peronism and APRA.

7

Heritage: Between Hegemony and Crisis

THE INCORPORATION PERIOD and its aftermath helped shape the type of political coalitions that crystallized in the eight countries and the way these coalitions were institutionalized in different party systems. These outcomes in turn influenced the forms of regimes that would emerge, their internal dynamics, and the evolution of national politics in the following years. This chapter analyzes these outcomes as the heritage of incorporation.

The analysis proceeds in two parts. The first presents an overall assessment of the party system, and the second sets this party system in motion by exploring its dynamics when confronted by the period of new opposition movements and political crisis faced by countries throughout Latin America from the late 1950s to the 1970s. We argue that the varying scope of this opposition and crisis in each country can be explained in part by characteristics of the party system and its political or hegemonic resources. Some countries experienced severe polarization, whereas in others the polarization was more mild and to one degree or another was effectively contained by established political actors. In this part of the analysis we explore both the economic challenges reflected in the politics of stabilization policy and the political challenges that derived from the emergence of new opposition movements in the party arena and in labor and peasant organizations.

In some countries the polarization and crisis culminated in military coups followed by extended periods of military rule, whereas elsewhere the civilian regimes had a greater capacity to deal with these conflicts. We argue that each country's prior experience in the incorporation and aftermath periods played an important role in shaping these alternative outcomes—though the explanatory power of this earlier experience must be looked at in a context in which many other causal factors also had an impact.

It is important to recognize the considerable overlap between the aftermath and heritage periods. Some traits we identify as features of the heritage were direct outcomes of the incorporation experience and hence can be observed during the aftermath period as soon as the incorporation experience was over. By contrast, other features of the heritage emerged only later, in the course of the aftermath. Given this dual genesis of heritage traits, in the sections that follow we will at various points have occasion to consider some of the same chronological periods we analyzed in the last chapter, but now from a somewhat different point of view. For most of the countries, however, the emphasis will be on the post-aftermath period, when all the traits of the heritage were in place.

The interval discussed in this chapter therefore begins with the civilian regimes of the aftermath period. That is, for the cases of party incorporation we treat the heritage period as beginning immediately following the restoration of civilian rule, where it had been suspended.[1] For the cases of state incorporation, it begins with the restoration of a competitive regime within a year of the end of the incorporation period.

With regard to the end of the heritage period, we view the problem of identifying its erosion or termination as a complex issue, which we address in an exploratory manner in the final chapter. For five of the countries, within the present chapter, we extend the discussion up to the date of the military coup of the 1960s or 1970s that brought an abrupt end to the civilian regime and the existing party system. The earliest of these coups occurred in Brazil in 1964, the latest in Chile in 1973. These coups are seen not only as the endpoint of our study, but also as an *outcome* of the political dynamics that we attribute ultimately to the type of incorporation. In other countries, where no coup interrupted the political patterns we describe as the heritage of incorporation, the analysis is carried to the conclusion of the presidential term ending roughly around 1980.

We thus focus on the following intervals (see Figure 7.1): in Brazil, from 1946 to the coup of 1964; in Chile, from 1932 to the coup of 1973; in Mexico, from 1940 to 1982 (the end of the López Portillo presidency); in Venezuela, from 1958 to 1978 (the end of the first Carlos Andrés Pérez presidency); in Uruguay, from 1942 to the coup of 1973; in Colombia, from 1958 to 1986 (the end of the Betancur presidency); in Peru, from 1956 to the coup of 1968; and in Argentina, from 1957[2] to the coup of 1966.

Overview of the Party System

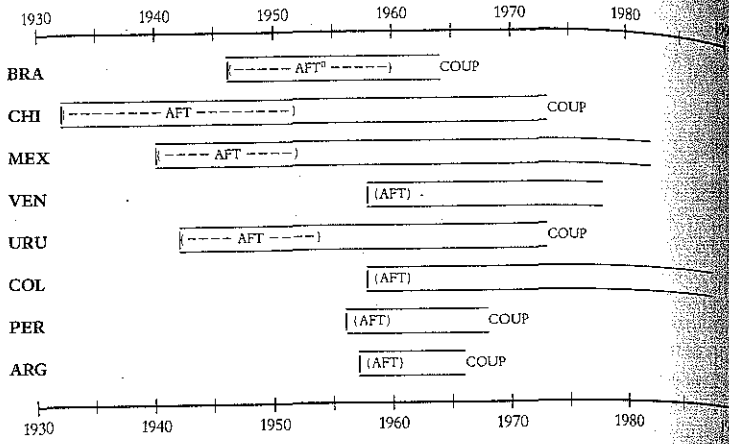
The period analyzed in this chapter is by and large one of civilian, electoral regimes in all eight countries. The only exceptions are the brief military interventions that occurred in Argentina, Peru, and Brazil, interventions of the "moderating" type that were limited both in duration and in that they did not introduce military rule, but rather oversaw the transfer of power among civilian groups (Stepan 1971:63).

The analysis of each country begins with an overview of the party system, focusing especially on three dimensions. The first is the degree to which the party system was characterized by cohesion or fragmentation; that is, the degree to which one or two parties dominated the electoral arena or, conversely, the degree to which electoral competition dispersed political power. The second is the presence of centrifugal or centripetal political dynamics. Some regimes were characterized by a strong polarizing dynamic whereas others were characterized by a strong, stable centrist coalition expressed or

[1] In Uruguay, where the authoritarian coup of 1933 was civilian rather than military, the heritage begins with the restoration not of civilian rule, but of a more competitive regime in 1942. In Mexico, there was no discontinuity in civilian rule or in the dominance of the revolutionary party, and the heritage period is treated as beginning in 1940.

[2] The date of the first semicompetitive election under Aramburu, involving the vote for the Constituent Assembly of that year.

Figure 7.1 Chronological Overview of Heritage Periods



Notes: The complex question of when the heritage ends as an analytical period is addressed in Chapter 8. The analysis in this chapter brings the discussion up to the major coups of the 1960s and 1970s for Brazil, Chile, Uruguay, Peru, and Argentina; and for the other three countries to cutoff dates around 1980—1982 for Mexico, 1986 for Colombia, and 1978 for Venezuela.

[a] AFT in parentheses refers to the portion of the aftermath period covered in the previous chapter, which is also treated here as the first part of the heritage period. See explanation in footnote 1 in the accompanying text.

embodied in dominant parties or party alignments that inhibited political polarization. The third aspect of the party system is the nature of the linkage between organized labor and political parties. Of particular concern is whether the union movement was linked to a leftist or labor party or to a multiclass/centrist party, and whether the party to which labor had organizational ties was usually in the governing coalition, or rather excluded from it.

We view the contrasting outcomes on these three dimensions as deriving in part from the types of incorporation and aftermath periods experienced in each country. Specifically, they were shaped by the nature of links forged (or not forged) with the labor movement during the incorporation period, which presented a unique opportunity for establishing union-party ties; by the consequent formation (or lack thereof) of a multiclass centrist party with labor support; and by the types of conflict-limiting mechanisms worked out (or, as in the cases of state incorporation, not worked out) in the aftermath period.

Opposition and Crisis

In addition to providing an overview of different types of party systems, the goal of this chapter is to explore the reaction of each type to the regional

experience of new opposition movements and political and economic crises of the late 1950s through the 1970s.[3] During this period, the eight countries exhibited very different patterns of change, some undergoing severe crises that culminated in military coups and others experiencing much greater regime continuity. While many factors contributed to these contrasting outcomes, our principal concern is to explore the argument that the different political structures that were a legacy of incorporation played a central role.

The economic and political factors that shaped this period of crisis may be sketched briefly. With regard to economic factors, this was a period of important change in the Latin American economies and their links with the international economic system. It is widely argued that this period saw a fundamental reorientation, beginning in the 1950s, toward the "internationalization" of Latin American economic development that brought major changes in the ownership and financing of key sectors of the economy. The rapid increase in foreign direct investment, especially following the Korean War, was widely perceived as a loss of national control of economic development that, within the framework explored in Chapter 2, posed important problems for the legitimation of the state. This was also a period of growing difficulties with balance of payments and inflation in a number of countries, and economic stabilization programs and the politics of stabilization became major issues. In the context of the denationalization and problems of legitimation just noted, the enforcement of conventional approaches to economic stabilization became considerably more difficult.

With regard to political factors, the period of the late 1950s to the 1970s saw the emergence of new international models of opposition politics that sharply redefined the spectrum of plausible political alternatives within Latin America. In this sense these years had much in common with the period of the late 1910s analyzed in Chapter 3. Beginning in the late 1950s, the Cuban Revolution dramatically posed the possibility that a socialist experiment could survive in the Western Hemisphere, producing an immediate impact on the political goals of the left in many Latin American countries. Perceptions of Cuba also had a strong impact on the right and the military within each country, as well as on the U.S. government and its support of counterinsurgency and of a spectrum of nonrevolutionary political alternatives within the region. Although the U.S. role receives little direct attention in the analysis below, it is an important feature of the larger context.

The combination of new political hopes on the left and new political fears in other parts of the political spectrum set the stage for a major polarization within the region. Amid these hopes and fears, political dynamics revolved in part around the "objective" potential for radicalization in each country, but also around the "perception of threat" (O'Donnell 1975) on the part of the military and other more conservative sectors within each country.

As the 1960s wore on, other developments in the international arena fur-

[3] Thus, whereas in the previous chapters we were concerned with analytically comparable—but chronologically often quite distinct—periods, the second section of this chapter explores how the different party systems that were the heritage of incorporation reacted to a set of challenges experienced more-or-less simultaneously in all eight countries.

ther contributed to this climate of radicalization and polarization: the intensification of the Vietnam War; the antiwar movement in the United States; the worldwide wave of urban social movements and social protest of the late 1960s that encompassed the First World, the Second World (Czechoslovakia) and the Third World; the Chinese Cultural Revolution; and later the growing imminence of the United States' defeat in Vietnam.

It may be argued that this period of new opposition movements and crisis can be divided at a point somewhat before the end of the late 1960s, when this further set of developments greatly intensified both the sense of opportunity, from the point of view of the left, and the sense of crisis, from the point of view of established political sectors within Latin America. Brazil and Peru had crises and coups before or around the time of this shift, whereas Chile and Uruguay had crises and coups after the shift. Argentina had coups in both phases, though the coup on which we focus was in the first of these, in 1966. Hence, in a sense we are looking at the experience of these countries in two somewhat different phases of a larger period of crisis. In comparing these cases, the characteristically greater severity of the crises in the later period must be kept in mind.

Party Heritage: A Typology

This analysis of opposition and crisis and the dimensions that underlie the comparison of party systems can be synthesized on the basis of a typology that provides an overall summary of the party heritage. The following discussion elaborates on the three dimensions on which the typology is based and suggests the specific types of outcomes that emerge from the interaction among the dimensions.

1. Presence of a majority bloc in the electoral arena located near the political center.[4] Such a bloc might involve either the electoral dominance of a single party, as in Mexico; of two parties linked through stable ties of cooperation, as in Venezuela and Colombia in the initial phase of the heritage period; of two parties that compete actively in the electoral arena, but in a context of centripetal competition, as in Venezuela and Colombia later in the heritage period; or of two parties that compete in a setting in which the competition is mitigated both by intermittent cooperation and by special electoral rules, as in Uruguay. The other countries lacked such a bloc (in Peru and Argentina, due in part to an electoral ban), despite repeated efforts to form one. It is a crucial attribute of these countries that wherever such a majority bloc existed, the electoral support of workers played an important role in sustaining it. Whether such a bloc emerged depended on the early history of the party system (especially re-

[4] The term "center" is intended to be quite relative (see glossary) and also rather broad. Here we have in mind political alternatives that reflect neither the extreme conservative reaction to incorporation found in several countries nor a Marxist or leftist political alternative. The term would encompass both the more reformist post-1958 period in Venezuela and the considerably more conservative post-1956 government in Peru.

evant for Uruguay and Colombia), the scope of popular mobilization in the incorporation period, and the nature of the compromises and party transformations that occurred in some cases, following the conservative reaction to incorporation.[5]

2. Organizational links between the union movement and a party or parties of the center. As we have seen, the organizational ties of unions to political parties is quite a different issue from the electoral orientation of workers. Again dividing the countries into two broad groups, in Mexico, Venezuela, Peru, and Argentina, the union movement was linked to parties located broadly speaking at the center. By contrast, in Uruguay and Chile it was linked to parties unambiguously on the left, and in Colombia and Brazil the unions' ties with the left played an increasingly important role. The character of these organizational ties derived in part from the political links between parties and unions established (or not established) during the incorporation period and in part from subsequent processes of compromise and conservatization (following party incorporation) or opening and radicalization (following state incorporation) in the aftermath period.

3. Presence of the union movement in the governing coalition. Though this factor might seem to overlap with No. 2, it produces a contrasting differentiation of cases. Only in Mexico and Venezuela was the union movement consistently linked to the governing coalition through the heritage period. In all other countries it was in an oppositional role for much if not all of this period. These outcomes again derive from the patterns earlier forged in the incorporation and aftermath periods.

Figure 7.2 presents the cube defined by these three dimensions. The figure locates on the corners of the cube the four overall regime types that are the outcomes of the incorporation experience and its aftermath:

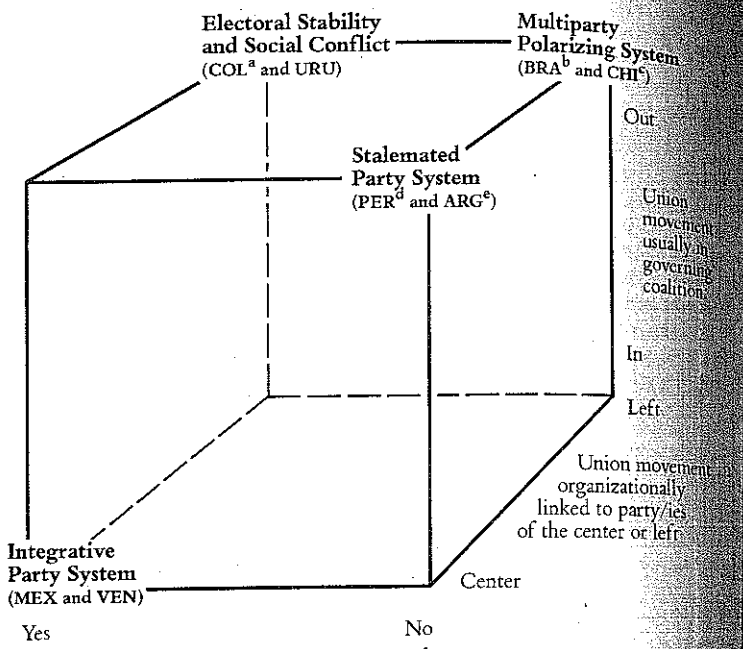
1. *Integrative Party System* (Mexico and Venezuela). These cases had a stable centrist majority bloc in the electoral arena, and the labor movement was organizationally tied to the political center and thus linked to the governing coalition. These regimes generally preempted or defeated leftist and opposition movements, contained social conflict and polarization, and were stable and hegemonic.

2. *Multiparty Polarizing System* (Brazil and Chile). Here, no centrist majority bloc existed, and the labor movement was tied to the center either ineffectively (Brazil) or marginally (Chile) and was generally in a role of opposition. The result was polarization, though this process went much further in Chile, and both cases experienced a coup that ushered in a long period of military rule.

3. *Electoral Stability and Social Conflict* (Uruguay and Colombia). These regimes had a stable centrist majority bloc in the electoral arena, but unions were not organizationally linked to it. In Uruguay the unions were consistently oriented to parties of the left and hence generally played an oppositional role, and in Colombia they were increasingly oriented in a similar way. The result

[5] Among the countries analyzed here, to the extent that such a majority bloc was formed, it was in all cases located roughly in the middle of the political spectrum, for reasons explored in the previous chapter. In other historical or geographic contexts, it is obviously possible that such a majority bloc might be located at a different place in the political spectrum.

Figure 7.2 Dimensions of the Party Heritage: Centrist Majority Bloc, Union-Party Links, and Coalitional Role of Unions



Note: Party heritage refers to time periods indicated in Figure 7.1.

[a] Though unions maintained significant ties with the two traditional parties in Colombia, they were increasingly affiliated with the left or were politically independent.

[b] Briefly at the end of the heritage period, the Brazilian labor movement was more effectively linked to the governing coalition under Goulart from 1961 to 1964.

[c] Briefly at the end of the heritage period, the Chilean labor movement was more effectively linked to the governing coalition under Allende from 1970 to 1973.

[d] The Peruvian union movement was in the opposition for much of the 1960s, though not under the Prado administration from 1956 to 1962. Although a major move to the left within the labor movement was beginning just at the end of the heritage period, for most of this period the bulk of the union movement was at the center.

[e] Though there was a "Peronist left" within the Argentine labor movement, as will be clear in the analysis below this was hardly equivalent to the left orientation of the union movement in several other countries.

[f] Maintained either by one party or by two parties linked through ongoing ties of cooperation.

was relative continuity in the electoral sphere, combined with rising social conflict, including major episodes of labor protest and a gradual militarization of politics in order to confront a growing insurgency. This ultimately led to military rule in Uruguay but stopped short of it in Colombia.

4. *Stalemated Party System* (Peru and Argentina). Here the ban on APRA and Peronism often frustrated the formation of a centrist majority electoral bloc. The labor movement was largely at the center rather than on the left, yet the ongoing ban meant that the labor movement was not linked to the governing coalition during a major part of (Peru) or throughout (Argentina) the heritage period. This had the consequence of undermining the formation of a stable electoral majority bloc in both countries and of producing instead political stalemate, which ultimately culminated in military rule.

A Note on the Strength of the Labor Movement

Although the present argument focuses on the impact of parties and of party-union relations on the intensity of polarization and crisis, other factors are important as well. For the moment, we will underscore one additional explanation: the strength of the labor movement. We earlier noted that the concept of labor movement strength is complex, and overly facile comparisons among countries should be avoided. Nonetheless, certain contrasts within the pairs of cases are so great that they can be presented with reasonable confidence.

A ranking of the eight countries in terms of the scope of worker organization and protest in the first decades of the 20th century was presented in Chapter 3. As noted there, important shifts in factors that influence levels of worker protest took place in the following decades, calling for a reassessment of the ranking if it is to be applied to a later period. For instance, the onset of massive rural-urban migration in Brazil and Mexico in the intervening years was seen in the literature on those two countries as weakening their labor movements, and the emergence of export enclaves in Venezuela altered its initial position in the first two decades of the century as one of the countries with a particularly weak labor movement.

In light of the rankings for the earlier period and these subsequent changes, the following comparisons within the pairs of countries seem plausible. The Venezuelan labor movement had at least caught up with that in Mexico, so there was not a major contrast between them as of this later period. For the other pairs, by contrast, the differences were greater: Chile had a stronger labor movement than Brazil, Argentina a stronger labor movement than Peru, and Uruguay a stronger labor movement than Colombia. These contrasts in labor movement development played an important part in explaining key differences between the countries in each pair. For example, they help account for the higher level of polarization and social conflict in Chile compared to Brazil, and in Uruguay compared to Colombia. Also, with re-

spect to this latter pair, this contrast in labor strength helps to explain the occurrence of a coup in Uruguay and the absence of one in Colombia. Finally, the vast difference in the scope of union organizing and protest between Argentina and Peru was central to the contrasting level and character of the perception of threat in the two countries in the 1960s.

BRAZIL AND CHILE: MULTIPARTY POLARIZING POLITICS

Introduction

The heritage of state incorporation in Brazil and Chile was a multiparty, polarizing regime. Within the framework of important contrasts between them, these two countries emerged among the eight considered here as having the most fractionalized party systems, the least cohesive political centers, sharp episodes of polarization, and substantial policy immobilism in the heritage period.

As we saw in the previous chapter, the mechanisms of conflict regulation that were established in different degrees and forms in the aftermath of party incorporation did not emerge in these two cases of state incorporation. Further, the popular sectors and the labor movement did not come to be tied either to governing parties or to parties of the political center. In these conditions, though unions continued to be tightly controlled and severely constrained by highly corporative labor laws, the labor movement underwent a process of politicization and radicalization, which began in the aftermath period and intensified after the failure of the attempted populist coalitions. As in the other countries, these processes and the growth of a left opposition accelerated in the late 1950s and 1960s. In Brazil and Chile, however, labor was a central player in this development.

In the last chapter we saw a frequent pattern in the cases of party incorporation during the aftermath period. The parties that led the incorporation period excluded the left within the party and moved toward the center at the same time that they retained broad popular sector support. These parties provided the basis for a centrist majority bloc in the electoral arena. Furthermore, primarily with the goal of retaining power and/or preventing a future loss of control of the presidency, party leaders took the initiative to create this majority bloc through pacts or other conflict-limiting mechanisms. By contrast, in the cases of state incorporation, the attempt to create a similar majority bloc in the aftermath period failed, and no comparable structures of conflict limitation were established. The populist parties that were formed just at the end of or just after the incorporation periods—the PTB in Brazil and the Socialist Party in Chile—did not have the capacity to form the basis of a centrist majority bloc, take similar initiatives, or play an equivalent role. This contrast, which reflects a shared attribute of Brazil and Chile, proved crucial in the emergence of a polarizing dynamic and the pull to the left of these "belatedly" formed populist parties. As a consequence, these two countries experienced patterns of conflict and polarization and an important degree of policy immobilism distinct from those found in the other six cases. This pattern of an increasingly polarized multiparty system with a weak center was the heritage of incorporation in Brazil and Chile.

Despite some major differences, which will be emphasized below, it there-

fore becomes clear that Brazil and Chile were similar in a number of ways. Particularly when one looks comparatively, one sees that they shared traits that made them quite distinct from the other cases considered in this book. It is the present argument that these traits derive from the distinctive way these two countries experienced the critical transition that has been highlighted—the pattern of state incorporation, as opposed to party incorporation, and the consequent unfolding of a different trajectory of change.

The analysis of the heritage of incorporation in Brazil and Chile will point to the following similarities.

1. The two countries shared a highly constrained industrial relations system, in which unions were particularly weak and dependent on the state.

2. Both experienced a consequent displacement of the workers' struggle into the political arena.

3. At the same time, a legacy of state incorporation was a labor movement that was not tied to governing parties of the political center. It goes without saying that the political independence from the state that derives from this trait should be narrowly understood and should be seen in conjunction with the fact that the state, through labor law, constrained labor unions and their activities in the sphere of industrial relations. In other words, there is a crucial distinction being made between relative independence from the state in the party-political sphere and independence (or lack of it) in the sphere of formalized industrial relations. Further, this political independence became a much clear-cut feature in the postaftermath period. During the aftermath phase would-be populist parties were founded in an attempt to establish a multiclass integrative political structure that could hold power. As we have seen, however, these experiments were not successful, and the populist attempts failed. By the end of the aftermath period (1960 in Brazil and 1952 in Chile) the nature of organized labor's participation in the political arena was quite different. It was associated with radicalizing opposition parties—either Communist parties or formerly populist parties that were moving to the left, and indeed labor played an important role in this process of radicalization.

4. The absence of a populist or multiclass integrative party that bound the labor movement to the government, then, led to a distinctive political dynamic, specifically a fragmented and polarizing party system, in which the labor movement played an important part. Throughout Latin America there were left tendencies in the labor movement, particularly in the wake of the Cuban Revolution, which had a powerful demonstration effect. In Brazil and Chile (and also in Uruguay) these tendencies became dominant within labor organizations, at least on the level of national labor organizations. This is not to say that at the grassroots radicalization was widespread—indeed there is evidence that it may not have been in either Brazil or Chile, though it clearly went further in Chile. Nevertheless, national labor organizations in these two countries played a key role in a larger process of polarization. A part of this process was the radicalization of the labor movement and key sectors, even if not the majority, of the mass base, and the labor movement in turn played a central part in the development of the left in national politics. Brazilian and Chilean politics can only be understood in terms of the centrality of this dynamic of political polarization and the role of the organized labor movement within it. Again, this pattern is very different from that which occurred in most other countries, and the contrast with the hegemonic parties in Mexico and Venezuela is particularly striking.

5. After the failure of the populist attempts in the aftermath period, new experiments to create a viable political center occurred. Such experimentation was rather extensive in Chile and took place over nearly two decades, from 1952 to 1970. By contrast, in Brazil it was extraordinarily brief and can be analyzed within the truncated presidency of Quadros in 1961. In both cases, the dynamic of polarization prevented success. The difference in the duration of these experiments is an important one, which has led analysts to see the politics of this period as "typical" of Chile and to discount it in the case of Brazil. Nevertheless, it may be instructive in understanding the political dynamics of these two countries to make explicit the similiarities here, without understating the differences.

6. Finally, uniquely in Brazil and Chile, the political center failed to retain its hold on the presidency and, with the election of Allende and the assumption of the presidency by Goulart, the government initiated or was seen as threatening to initiate a major move to the left. Such an event did not occur in the other six countries during this analytic period, and this development played a major role in the rising polarization in both cases. The accelerating polarization culminated in a military coup in 1964 in Brazil and 1973 in Chile. Though it is clear that in some "objective" sense the "left" as represented by Goulart was not equivalent to that represented by Allende, what is crucial is that the polarization went as far as it did, given the weak, nonideological nature of Brazilian parties and a labor movement so highly constrained by corporatist structures. It is also the case that relative to the political center of gravity in Brazil (i.e., substantially to the right of the reformist center in Chile) the move toward the left that did occur was significant to the point that Goulart was perceived as a Bolshevik threat who would establish a syndicalist state and unacceptably alter existing property relations.

This last point brings us back to the issue of the differences between these two countries. Chile was a much more urban, socially mobilized society. In contrast to Brazil, it had strong, "European-style" parties, some of which dated back to the last century and evolved in a way that also followed a "European" pattern of ideologically based parties of a liberal right, a Marxist left, and a moderate center, including a party based on the European-founded Christian Democratic movement. Chile's labor movement was based in export enclaves as well as in urban centers and did not have to face a labor surplus economy to the same extent as Brazil. Through some combination of these and other factors, Chilean society was much more highly politicized, with partisan identities being fundamental, running deep, and orienting political life, whereas in Brazil they counted for little, even among politicians.

Corresponding to these differences were contrasts in the ties between parties and unions. Partly as a result of the banning of the Communist Party in Brazil, though also due to the above sociopolitical differences, the Chilean labor movement had longer-standing and more deeply rooted ties to the left and specifically to Marxist parties. Given the differences in the aftermath period and the much greater duration of the postaftermath period con-

sidered here, the Chilean labor movement and the left parties with which it was associated had much more experience with participation in the political arena. These political and economic factors made the Chilean labor movement stronger than its Brazilian counterpart. The weaker position of Brazilian labor was also due to that country's much longer and more thorough-going incorporation period, which imposed a greater degree of state penetration, many aspects of which, as will be discussed below, the labor movement was able to overcome only more gradually and partially. Finally, as a culmination of all these differences, the political left in Chile was stronger and much more radical, polarization there went much further, and the "threat" to the right represented by Allende was much greater than that represented by Goulart.

Without denying these differences, a few caveats are in order. One should not underestimate the degree to which class antagonisms and cleavages came to characterize Brazilian politics. It will be argued that in periods when constraints were relaxed, the labor movement was more politicized than is often recognized. These cleavages were also expressed in the party system to a greater degree than is commonly realized. It is certainly true that in Brazil parties were weak, and even in the electoral arena, an ad hoc, opportunistic pattern of electoral alliances came to predominate. Yet, as we shall see, toward the end of the period considered here, intraparty cleavages more rooted in programmatic differences came to characterize all three of the major parties, and the resulting factions tended to regroup in interparty alliances and fronts that were ideologically more coherent. On the other hand, Valenzuela (1978:11) has argued that one should not overestimate the role of class politics based in ideologically self-conscious parties as the unique source of political cleavage in Chile. These ideologically oriented parties were in fact rather heterogeneous in terms of the interests and classes they aggregated. In addition, the parties of similar ideological tendencies were often likely to compete with one another rather than cooperate and to back candidates and join forces with parties across ideological lines.

Also, the Chilean labor movement was weaker than one might imagine from the facts that working-class parties did well in the electoral arena and that workers played such a major role in the politics of the Allende period. Indeed, the heavy hand of the state continued to limit severely the scope of union freedom and activity through both a highly constraining labor law and repression, and the CUT prior to 1970 was quite weak. Falabella (1980:344) has emphasized the dependence of unions on the state in bargaining over economic and political issues and the way in which the resulting pattern of state-centered bargaining both increased state control of unions and encouraged unions to focus their attention on the government and on parliament in advancing their economic and social goals. Arguing that the CUT began to achieve some influence and strength only at the end of the Frei period, Angell (1972:220) has declared, "for most of its life its weaknesses were more evident than its strengths." Similarly, in an analysis published in 1969, Petras (1969:237ff) described a working-class movement in almost total disarray and faced with government opposition. Until the victory of Allende, a prolabor government never came to power—not even prolabor to the extent of populist governments elsewhere—no less a more clear-cut ideologically oriented leftist government with a working-class base.

On the other hand, in the early 1960s the Brazilian labor movement managed to carve out an area of much greater *political* independence from state control than one might expect, in light of the imposition of the most elaborate form of corporative labor relations introduced in Latin America and in light of the substantial continuity in the legal framework after the end of the Estado Novo. Though the Brazilian union movement was enormously weakened by the labor law, as was the Chilean labor movement, Brazilian labor in fact largely managed to escape from *pelego* control and pursue an important political role on the national scene that was quite independent of the government and governing political parties—in a way that was not possible for the labor movements of, for instance, Mexico or Venezuela.

The analysis of Brazil and Chile must reflect this interplay of similarities and differences. Though these caveats against an overdrawn, simplified characterization of Brazil and Chile are important, it is certainly the case that the two countries are different in the ways mentioned above. Yet, they also share a commonality that has not been recognized in most accounts of Latin American politics and which is being emphasized here. Despite important differences, both countries, stemming from a distinctive pattern of state incorporation, subsequently developed polarizing, multiparty systems that lacked the kind of conflict-limiting mechanisms found elsewhere. With a labor movement that was highly constrained in the sphere of industrial relations but more independent in the political arena, and with a strong political right, politics became increasingly polarized, and the center lost its hold on power, prompting, after a period of intensified crisis and deadlock, a military coup and in both countries the most extended periods of military rule in Latin America during the last two decades.

In sum, a few points are worth emphasizing in introducing this analysis of Brazil and Chile. First, it is necessary to be precise in specifying the similarities between the two countries—the claim is not that in some more general sense these two countries are "similar." Second, we assume a model of multiple causality in which we trace out the consequences of only one set of causal linkages. Therefore, we are in a position to account for some similarities, but we do not expect identical outcomes in the two cases, as other factors also come into play in shaping these outcomes. That is, similar incorporation periods are not expected to produce identical regimes, but rather legacies that are more similar than one might otherwise expect, given all the other differences that mark these two countries. Third, there is some risk of falling back on traditional images and underestimating the degree of mobilization and polarization in Brazil and perhaps also in some ways overstating it in Chile; clear and marked differences certainly exist, but it is important not to distort the comparison so that these differences nullify the similar-

ities—similarities that become more apparent in the larger comparative framework of the eight countries.

Overview of the Party System

As mentioned, in many ways the Brazilian and Chilean party systems differed greatly. In describing the Chilean parties and party system, analysts have typically presented a "European account." To a substantial extent, the Chilean party system was based on parties that were deeply rooted in society, that were well-institutionalized, and that endured over time. The parties of the right and some of those in the center traced their origins to the last century, while the major parties on the left were founded in the first few decades of the present century. Of all the major parties, only the Christian Democratic Party was a relative newcomer, with origins in the Falange Nacional of 1936 and emerging as the PDC in 1957. Perhaps more importantly, these parties were strong—party identification was a pervasive and fundamental aspect of both individuals and groups throughout Chilean society, and party dynamics were an absolutely central part of Chilean politics (Garreton 1983:23–31). Finally, Chilean parties were notably ideological, with the left, center, and right tendencies all well represented.

The Brazilian party system seemed to be just the opposite. Instead of a European account, a typically Latin American account of the Brazilian party system has predominated. Brazilian parties were of recent, postwar origins; they did not predate by more than a year the 1946 Republic introduced in the aftermath of incorporation, and in fact the Republic and the parties were born of the same democratization process. Though the Brazilian Communist Party dates back to the 1920s, as does the Chilean Communist Party, the Brazilian party played a much more minor role than its Chilean counterpart, due in large part to its longer period of proscription. In other ways also, the Brazilian parties have not been considered well-institutionalized. The major parties were notoriously weak: party identification accounted for very little in Brazil and the parties themselves exercised no discipline over their members, who in fact tended to switch party affiliation with surprising frequency, particularly on the local level. The parties were loose groupings almost totally devoid of ideological commitment and identification. Emphasizing these weaknesses of the Brazilian parties, Peterson (1970:142) has characterized them as "empty vessels to be filled anew before each election."

Despite the importance of these differences, there are a number of ways in which the party systems of the two countries shared certain traits and functioned in a similar manner. Significantly, two prominent analysts of the Brazilian and Chilean party systems, Santos (1974) and A. Valenzuela (1978–1985) respectively, have borrowed from Sartori's analysis to emphasize the central importance of a shared characteristic, one which is quite distinct from the party systems of the other six countries in this study. Specifically, Brazil and Chile were described as cases of "polarized pluralism" (Santos

1974:84; A. Valenzuela 1978:8). Both countries had highly fractionalized party systems displaying a pattern of fragile alliances and shifting coalitions among parties, which made consistent policy formation difficult. In addition, from the end of the incorporation period, both underwent a process of political polarization. Perhaps most importantly for present purposes, what needs to be added to this analysis is that these party systems lacked certain conflict-limiting mechanisms and hegemonic resources in the form of political ties between centrist parties and the popular sectors that could function to deliver political support to the government. In contrast to the hegemonic party systems of Mexico and Venezuela, the Brazilian and Chilean party systems were incapable of checking polarization and providing a consensual middle ground for policy formation. These features of the party system can in large measure be traced back to the pattern of state incorporation and its failure to mobilize the labor movement politically or establish an integrative populist party. Within this commonality, a difference between the two countries was that in Chile polarization was expressed largely *through* strong ideological parties; in Brazil polarization was expressed *despite* the nonideological and weak parties.

Party Fractionalization

These two party systems had conspicuously high levels of fractionalization. The extraordinary level of fractionalization in Chile is perhaps a better known phenomenon and has been analyzed in some detail by A. Valenzuela (1985). Before 1965, in the 33 years following the end of the incorporation period, no party won more than 24 percent of the votes in parliamentary elections. In 1965, the PDC won an unprecedented 42 percent, but in the remaining two parliamentary elections before the 1973 coup, its percentages slipped back to under 30 percent. Except for the 1965 and 1969 elections, the two largest parties were not able to account for half of the parliamentary seats. Corresponding to these low percentages is the large number of parties that attained representation in parliament.

Another measure of this same phenomenon is the party fractionalization index. A. Valenzuela (1985:table 3) presents two such indexes that, employing somewhat different measures, indicate the high degree of dispersion of parliamentary seats among many parties. On average, the level of party fractionalization in Chile was found to be the third highest among 27 democracies, ahead of such well-known cases as the Fourth Republic of France and Israel (Sartori 1976:313, cited in A. Valenzuela 1985:8). The Chilean case, then, is quite an extreme example of multipartyism.

Though the major Chilean parties are in many important respects highly institutionalized, it is worth noting certain aspects of instability in the party system. The first is the change in the array of parties. A chart of party splits, and occasionally mergers, would make a map of the most complicated highway interchange look simple. The second is the coalition behavior of parties.

On top of these demands, the various forms of protest reflected a layer of partisan politics and ideological differences. The Socialists, MAPU, and the MIR were committed to the elimination of the agrarian bourgeoisie. Allende, by contrast, felt dependent on the rural bourgeoisie for its contribution to agricultural production. Accompanying these differences were differences in political tactics. Allende was committed to work within the legal framework and adopted a consolidation line of trying to cooperate with the center. The left rejected both of these and supported land occupations, illegal strikes, and confrontations involving attempts by Indian groups to recover their ancestral lands (Roxborough et al. 1977:143; Loveman 1976b:254).

"From the start, the government lost the initiative to its leftist critics and was forced to react to militant *campesino* movements" (Loveman 1976b:264). Furthermore, the mobilizations often involved not only specific demands, but also a redistribution of power and assumption of grassroots control over important areas of decision-making (Spence 1978:161). This, then, was another face of dissensus politics, which was part of the polarization process.

Thus, in the sphere of peasant politics as in other domains, both Brazil and Chile experienced polarization and failures of conflict-regulation. As noted throughout, the character and strength of social forces that underlay this polarization differed greatly between the two countries. At the same time, they shared an important commonality at the macro-political level that was a legacy of state incorporation: the *absence* of a majoritarian or near majoritarian party, that grew out of a populist coalition, and that served as a principal mechanism of political mediation. This commonality is crucial to understanding their experience in the heritage period. Contrasting patterns, in which such parties were established as a legacy of party incorporation, are the focus of the following sections.

MEXICO AND VENEZUELA: INTEGRATIVE PARTY SYSTEMS

The political legacy of party incorporation in Mexico and Venezuela presented a striking contrast to the legacy of state incorporation in Brazil and Chile. It was characterized by a party-political system that was integative, not polarizing; that was one-party dominant or two-party with centripetal tendencies, not multiparty with centrifugal tendencies; that institutionalized something approaching a "coalition of the whole," not fractionalized, unstable coalitions; and that embodied important conflict-limiting mechanisms permitting the formation of consistent policy with some gradual, pendular swings, not accelerating zero-sum conflict that led to policy vacillation and immobilism. It was characterized as well by the predominance of centrist, multiclass parties that politically incorporated the working class electorally within the governing coalition, rather than by the relegation of parties with substantial working-class support to a position of nearly permanent opposition; by relatively greater reliance on hegemonic rather than coercive control over the activities of the labor movement; and by a labor movement that provided an important base of support for the regime, rather than by the political autonomy of the working class from centrist, governing parties. The two sets of regimes had different political resources with which to confront political and economic challenges. Likewise, the popular sectors had different resources, opportunities, and constraints in their political struggle. The outcome in Mexico and Venezuela was a stable hegemonic regime that weathered the economic crises and political challenges that confronted Latin American countries from the late 1950s through the 1970s.

In both Mexico and Venezuela, radical populism accomplished the incorporation of the popular sectors as a support group for the state. The result of the changes in the aftermath of incorporation was a new governing coalition, which included the dominant economic sectors, at least in a programmatic way if not in terms of functional or formal representation within the party; which excluded the left; and which continued to include the popular sectors. However, the mechanisms used were quite different in the two countries.

In Mexico, the mechanism was the one-party dominant regime. The PRI had been able to prevent its own ouster from power in the wake of the intense polarization of the incorporation period. As a result it was able to muster sufficient state and political resources to maintain its hegemonic position and the broad coalition it embraced. AD, having been ousted from power, was in a much weaker position. Unable to establish a stable civilian regime through its extensive mobilization of support in the incorporation period, AD came to rely on the interparty pact. This formula of an interparty pact provided the means of forming a broad, inclusive coalition—not so much within the party, as in Mexico, but among the major parties.

Thus, while the PRI in Mexico moved to establish a semicompetitive one-party dominant party system, AD in Venezuela oversaw the reestablishment

of a competitive multiparty regime, but one in which political conflict was limited through interparty pacts and coalitions. Both countries, then, emerged from the aftermath of incorporation with integrative party systems that embraced a broad coalition, with only marginal groups outside of the major parties. This was the party heritage of incorporation, though both systems, especially the Venezuelan, evolved somewhat through the 1970s.

Far from being a vehicle through which polarization occurred, the party systems of Mexico and Venezuela functioned as integrative mechanisms that avoided or minimized future polarization, afforded the state substantial legitimacy, and provided the basis for consistent policy formation. The party system enhanced the hegemony of the regime in at least three ways: it embodied a progressive ideology, it held the partisan loyalties of the popular sectors, and it bound the functional organizations of the popular sectors to a centrist state. Whereas labor unions in Brazil and Chile were tied to increasingly radical and class-oriented parties or party fractions that, until the governments of Goulart and Allende, were in a position of permanent opposition (or at most, a very subordinate partner in a formal, electoral coalition), in Mexico and Venezuela unions were closely tied to the governing parties. We have seen that in the aftermath of incorporation, the party put much emphasis on retaining its close ties to unions, and this party-union link remained an important part of the political heritage. In both countries, these labor-party ties afforded the state significant influence in union leadership selection and activities and hence in the management of labor-capital relations.

Just as these regimes, with their formal links to both urban and rural mass organizations, were able to contain the impact of emerging dissident labor groups, they similarly provided the political resources to deal with independent peasant groups. Both the PRI and AD continued to receive overwhelming support among rural voters. However, the rapid urbanization that occurred in both countries meant that both parties faced a potential challenge in attempting to maintain their overall level of mass support, since both parties did relatively less well in major urban areas and among the unorganized urban informal sector.

In Mexico and Venezuela, then, the heritage of party incorporation and the mobilization of the working class as a support group was the creation of an inclusionary centrist coalition that afforded those two countries a long period of hegemonic politics. Unlike Brazil and Chile, they enjoyed political stability and escaped the extended and harsh repression of military authoritarianism. Yet these advantages were not without costs in terms of the political autonomy of popular sector groups, the pace of reform, and the inability to pursue more redistributive policies.

Unlike the other countries analyzed in this book, with the exception of Colombia, in Mexico and Venezuela no military coup dramatically brought to a close the period discussed in this chapter. For present purposes, we will follow the analysis from the end of the aftermath through the 1970s—or more precisely, to the end of the López Portillo presidency in 1982 in Mexico and to the end of the Carlos Andrés Pérez presidency in 1978 in Venezuela.

Though the Mexican and Venezuelan regimes did not experience the sharp discontinuities of military intervention that abruptly overturned regimes elsewhere, the question nevertheless arises of whether the political patterns of hegemonic policies that will be described below were changing incrementally and particularly what might be the impact of the debt crisis and economic reorientations of the 1980s. This issue will be briefly addressed in the concluding chapter.

munist Vanguard formed in 1974 and the New Alternative formed in 1980 as a left-center coalition. Other groups included the Socialist League and the Venezuelan Revolutionary Party, which had their origins in the guerrilla movement, the Revolutionary Action Group, and the EPA (The People Advance) (Blank 1984:82–84).

As is evident from this description, the proliferation of left parties represents not so much vitality on the left as a process of factionalism and splintering. Efforts were made to achieve unity, but they failed. At the same time, the left vote grew somewhat after 1973. Nevertheless, it remained very small at around 12 to 13 percent in congressional elections in the 1970s (Silva Michelena and Sonntag 1979:73). Its greatest success was achieved at the local level. In the municipal election of 1979, the combined vote for the left reached 18 percent of the total (O'Connor 1980:82–83).

This limited success of the left did more to enhance the legitimacy of the democratic regime than to challenge it. It reflected the broad consensus that was created around AD and COPEI, a consensus that cannot be understood apart from the political dynamics that have their origin in the incorporation and aftermath episodes. It was a consensus that produced a hegemonic regime with certain advantages, but also with costs.

> At first glance, the Venezuela story seems to have a happy ending. Institutions are legitimized and "everyone" is united behind the new system and its rules. . . . [However] in policy terms, this kind of accommodation has clear special costs: those groups which reject the incorporation of traditional sectors and their conservative impact on policy formation, are defeated. Traditional oppositions are incorporated as the dominant party moves to the center. The center is strengthened. Who used to be left out? The traditional Right. Who is excluded from the new revised spectrum . . . ? The Left (Levine 1973:223–24).

URUGUAY AND COLOMBIA: ELECTORAL STABILITY AND SOCIAL CONFLICT

Although the traditional parties in both Uruguay and Colombia faced a significant electoral challenge during the 1970's, they largely dominated the electoral arena during the period analyzed in this chapter, which extends from 1942 to 1973 in Uruguay and from 1958 to 1986 in Colombia. In one sense this outcome was *not* a distinctive legacy of incorporation, in that it built on a much older tradition of two-party dominance. Yet this tradition was unquestionably renewed and reinforced by the experiences of the incorporation and aftermath periods. Indeed, any account of the successful "reproduction" of these long-standing two-party systems would have to focus closely on the dynamics of these two periods. A central issue of the subsequent heritage period was whether this ongoing electoral stability in fact constituted a form of electoral stasis that inhibited badly needed political innovation.

This electoral stability was accompanied by relatively high levels of social conflict. In contrast to other cases of party incorporation—and this *was* a distinctive legacy of how these party systems functioned during the incorporation period—in Uruguay and Colombia the parties that led the incorporation project had been relatively ineffective in building enduring ties with unions. Therefore, the union-party ties that in some countries provided a framework for establishing long-term political accommodation with labor were weak or nonexistent. Correspondingly, worker protest became an important issue in Colombian politics, notwithstanding the weakness of the Colombian labor movement. In Uruguay worker protest reached such a magnitude that it was a central factor in the regime crisis of the late 1960s and early 1970s and in the coup of 1973.

In the rural sector, the type of reorganization of political relationships found in the incorporation period in Mexico and Venezuela had not occurred, and traditional partisan ties had remained relatively untouched in rural areas. Whereas in Uruguay these relationships continued to be relatively stable, in Colombia the interaction of old partisan antagonisms with new models of guerrilla struggle produced nearly continuous rural insurgency.

This juxtaposition of an unusual degree—indeed, arguably an excessive degree—of electoral stability and severe social conflict contributed to political paralysis in both countries. States of siege became a principal mechanism of governance, and the militarization of the state was an important feature of these periods. In Uruguay this process culminated in the military coup of 1973, though interestingly the new military government initially retained the elected civilian president. Colombia, by contrast, although it experienced substantial militarization, retained an elected, civilian executive throughout these years.

PERU AND ARGENTINA: POLITICAL STALEMATE

In Peru and Argentina, the period analyzed in this chapter is relatively short in comparison with the other countries. The initial conservative reaction to incorporation did not end until the second half of the 1950s, thereby initiating the heritage period. Yet Peru and Argentina saw the inauguration of military-authoritarian regimes in the second half of the 1960s, a transition that ended the experience of party politics analyzed here. The analysis thus focuses on the interval from 1956 to 1968 in Peru and from 1958 to 1966 in Argentina.

A central fact of Peruvian and Argentine politics in this period was the prohibition, imposed by the military, of full electoral participation of APRA and Peronism. This prohibition was the cornerstone of the "impossible game" in Argentina and the "difficult game" in Peru, introduced in the previous chapter. In the context of this prohibition, these two countries conspicuously failed to establish integrative party systems. Unlike Mexico and Venezuela, Peru and Argentina experienced ongoing stalemate, political crisis, and a failure to address basic policy issues of the day. On the other hand, in contrast to Brazil and Chile—which also experienced crises—the political crisis in Peru and Argentina prior to their respective coups in 1968 and 1966 did not involve the same dynamic of radicalization, polarization, and a substantial move to the left within the political system. This was due in important measure to the degree to which a major segment of the popular sector had been won away from the left during the incorporation period.

Because the evolving ban in Peru and Argentina played such an important role in this period, it receives central attention. The analysis reveals that in comparison with the ban on APRA in Peru, the dynamics of the ban on Peronism in Argentina were more complex, for two principal reasons. First, Argentina had more elections during this period than Peru, which lacked elected governors and had no municipal elections until 1963. Relatedly, in Argentina the issue of the ban came into play at all electoral levels, and hence arose in all of Argentina's numerous elections. In Peru, apart from 1956, the ban on APRA operated only at the level of presidential elections. Second, in a curious way the ban in Argentina actually helped Perón retain control over his movement, in that it aided him in preventing rivals from within the movement from challenging his power.

The impact of the ban on the two parties was also distinct. This period saw the further conservatization of a relatively cohesive APRA party, as it accommodated itself to partial access to power. By contrast, during this period Peronism, which was excluded from power, was ideologically diverse and fragmented. In part as a result of APRA's conservatism, by the end of the 1960s the party was losing its dominant position in the labor movement, whereas the Argentine labor movement, at the same time that it was ideologically heterogenous, remained largely Peronist.

Yet the larger political implications of the ban were in important respects similar in the two cases, for in both countries the ban played a central role in the political stalemate and regime crisis that led to the democratic breakdown in the second half of the 1960s. In addition, important steps in the evolution of this period of stalemate and crisis were parallel. As shown in the previous chapter, in both cases the president elected in the second half of the 1950s (Prado and Frondizi) came to power by making an electoral accord with the banned party. In Peru this accord produced a relatively stable governing coalition that lasted to the end of Prado's presidency in 1962. In Argentina, by contrast, such an ongoing accord was not permitted, and Frondizi's government was far less stable. Yet neither of these governments was successful in tackling many of the most urgent policy issues of the day, a matter of growing concern to various sectors, including the military. In Argentina this failure was in some respects directly attributable to the ban and to the political crises it produced. In Peru the failure was not as directly due to the ban, although the enforced conservatization of APRA, Prado's coalition partner, in conjunction with the ban was certainly an important part of the context in which the Prado government failed to address a broader policy agenda.

The presidencies of Prado and Frondizi were both ended by a coup in 1962, which served to block the electoral success of the banned party. Both countries saw interim governments that assumed only a caretaker, transitional role and held new elections in 1963,[71] which in both countries were won by a candidate (Belaúnde and Illia) who had a middle-class base and lacked a working-class constituency. The authority of both these weak middle-class governments was dramatically undermined by the intense opposition of the banned party and/or the labor movement.

Subsequently, confronted with the failure of these governments and the prospect of further elections in which the banned party seemed likely to make major gains, the military intervened once again, in Peru in 1968 and Argentina in 1966. This time, instead of brief transitional governments, the armed forces established long-term military rule intended to supersede the stalemated electoral system.

[71] For the purpose of our study, it is crucial that Argentina and Peru passed through these parallel steps in this analytic period, but simply a coincidence that these steps occurred in exactly the same years—i.e., 1962 and 1963.

8

Conclusion: Shaping the Political Arena

THE OBSERVER even casually acquainted with 20th-century Latin American history will not be surprised by the suggestion that the labor movement and state-labor relations have played an important role in the region's development. Likewise, it is a familiar observation that the evolution of state-labor relations has seen both major episodes of state domination of the labor movement and also dramatic instances of labor mobilization by actors within the state, and that these experiences have had important ramifications for the larger evolution of national politics. It is more novel to construct a model of political change and regime dynamics in Latin America that builds upon an analysis of the dialectical interplay between labor control and labor mobilization. This book has developed such a model. Obviously, the argument is not that labor politics and state-labor relations can, by themselves, explain broader patterns of change. Rather, the focus on these issues provides an optic through which a larger panorama of change can be assessed and, in part, explained.

The book has examined a crucial historical transition, referred to as the initial incorporation period, which brought the first sustained and at least partially successful attempt by the state to legitimate and shape an institutionalized labor movement. These initiatives were accompanied by a broader set of social and economic reforms and an important period of state-building. Labor policy during this period placed varying degrees of emphasis on the control of the labor movement and the mobilization of labor support, and these variations had a profound impact on the subsequent evolution of politics, playing a central role in shaping the national political arena in later decades.

The incorporation periods and their impact have been analyzed within what was called the critical juncture framework, which suggests that political change cannot be seen only as an incremental process. Rather, it also entails periods of dramatic reorientation—such as the incorporation periods—that commonly occur in distinct ways in different countries, leaving contrasting historical legacies.

The Historical Argument

The book explores a series of analytically comparable, but chronologically divergent, periods that emerged sequentially in each country: the period of the "oligarchic state," the incorporation period, and the aftermath and heri-

tage of incorporation. The centerpiece of the historical argument is the comparison of incorporation periods. We first distinguish between cases of state incorporation and party incorporation. In state incorporation, which characterized Brazil and Chile, the principal agency of the incorporation project was the legal and bureaucratic apparatus of the state, and the primary concern was with depoliticizing the working class and exercising control over its sectoral organizations. In the authoritarian context within which state incorporation occurred, few channels of labor expression or political bargaining existed. Some benefits to labor were paternalistically extended through a new state-controlled union structure, which, particularly in Brazil, became an agency for the distribution of state social welfare programs. At the same time, (pre)existing independent and leftist unions were repressed. In party incorporation, by contrast, along with the state's role, a political party or political movement which later became a party was also crucial. Major concessions were extended to labor in the attempt to win its political support, and typically, though not always, the left within the labor movement was tolerated or co-opted, rather than repressed. Three subtypes of party incorporation were distinguished, based on the distinct forms of party-led mobilization, thus yielding four types of incorporation periods (see Figure 8.1).

In Uruguay and Colombia, party incorporation entailed the electoral mobilization of workers in the framework of two-party competition between traditional parties that dated from the 19th century. With the concern of the incorporating party to attract electoral support of the working class, substantial policy concessions were made. However, in contrast to other types of party incorporation, the construction of union-party links was either a marginal aspect of the incorporation project (Colombia) or did not occur at all (Uruguay). The labor populism of Peru and Argentina saw extensive electoral mobilization of labor by a newer, populist party that also constructed union-party links as a central feature of the incorporation project. Major concessions were granted to labor in exchange for its more extensive electoral support and organizational affiliation. Finally, the radical populism of Mexico and Venezuela was similar, except that the electoral and organizational incorporation of the working class in the modern sector was accompanied by a parallel incorporation of the peasantry. Therefore, in addition to the concessions granted to labor, the incorporating government also made concessions to the peasantry, particularly a commitment to agrarian reform, which raised the possibility of a more comprehensive restructuring of property relations.

Explaining Different Types of Incorporation. The earlier part of the analysis sought to show how, after the turn of the century, different types of incorporation emerged out of the period of the oligarchic state. The project of labor incorporation arose from two goals on the part of elites acting through the state. The first, which responded to rising worker protest, was to regularize and institutionalize channels for the resolution of labor-capital conflict and to control the radicalization of the working class. Labor issues and demands had become too disruptive and the inefficiency and unworkability of the coercive approach of repression was increasingly recognized by leaders

Figure 8.1 Transformation of the Oligarchic State and the Incorporation Period

End of Period of Oligarchic State	*Chile* To 1920	*and*	*Brazil* To 1930	*Uruguay* To 1903	*and*	*Colombia* To 1930	*Peru* To 1919	*and*	*Argentina* To 1916	*Mexico* To 1910	*and*	*Venezuela* To 1935
	Oligarchy in an unusually strong political position.			Presence of elements of oligarchy in both parties and tradition of interparty alliances that will later provide a basis for blocking mobilization stimulated by party competition.			Oligarchy in many respects strong, but a crucial "flaw" in its political position.			Least strong political position of oligarchy, disintegrating control of social relations in rural sector.		

Aborted Incorp. Periods	1916–19	1919–20
	Timid incorporation efforts aborted in face of collision between intense labor mobilization and strong conservative reaction. Oligarchic control restored in 1930s.	

Incorporation period	1920–31	1930–45	1903–16	1930–45	1939–48	1943–55	1917–40	1935–48
	State incorporation: Depoliticization and control		*Party Incorporation: Electoral mobilization by traditional party*		*Party incorporation: Labor populism*		*Party incorporation: Radical populism*	
	Depoliticization. Paternalistic benefits. Left repressed.		Electoral mobilization only. Substantial or major concessions to labor. Left tolerated.		Electoral and organizational mobilization. Major concessions to labor. Left co-opted or repressed.		Electoral and organizational mobilization. Encompasses rural sector. Major concessions to labor. Left cooperates.	

within both the oligarchy and the middle sectors. The second goal was to transform the laissez-faire oligarchic state, in which the middle sectors were politically subordinate, and to create a more activist state that would assume new social responsibilities. The character of the accommodation or confrontation between the reform project and the oligarchic state helped shape the politics of incorporation. In cases of confrontation, reformers tended to promote labor mobilization as a political resource in the conflict.

The scope of labor mobilization and hence the type of incorporation project that emerged can therefore be understood in part in terms of an inverse relation between the political strength of the oligarchy toward the end of this prior period and the degree to which this option of mobilization was pursued in the incorporation period. This relationship captures the dynamics of six of the cases and brings into sharp focus the factors that led the other two countries, Peru and Argentina, to deviate from the pattern.

The inverse relationship is most evident in the contrast between Brazil and Chile, on the one hand, and Mexico and Venezuela, on the other. In Brazil and Chile, the strong political position of the oligarchy provided the framework for accommodationist relations between it and the rising middle sectors and hence for a control-oriented incorporation period. In Mexico and Venezuela, a disruption of clientelistic relations in the countryside meant a relative erosion of oligarchic strength, which created an opportunity for the wide-ranging urban and rural mobilization that accompanied incorporation.

Colombia and Uruguay may in certain respects be seen as intermediate cases within this inverse relationship, to be understood in light of the special character of their well-institutionalized, two-party systems. In both countries the oligarchy was not united in a single political bloc. Rather, it was split between the two parties, which in many periods confronted each other not only in intense electoral competition, but in armed conflict. The dynamic of deeply ingrained two-party competition created a major incentive for the electoral mobilization of workers, thus disposing these countries toward more mobilizational incorporation periods. At the same time, a long tradition of interparty alliances created the potential for building a strong, bipartisan, antireformist coalition that could reunite elements of the oligarchy and limit the scope of incorporation. Thus, although an important electoral mobilization occurred in the incorporation periods, this antireform alliance blocked more elaborate efforts at support mobilization such as the creation of strong organizational links between unions and the party. In sum, the political split in the elite—which represented a greater degree of oligarchic weakness than was found in Brazil and Chile—made mobilization more likely, yet the tradition of interparty alliances provided a basis for limiting this mobilization.

Peru and Argentina deviate from this inverse relationship. In both cases the oligarchy was in many spheres powerful on the eve of the reform period, yet its power suffered from a crucial "flaw." In Argentina, the oligarchy's lack of a major electoral base in a peasantry placed it in a difficult position in periods of free electoral competition. In Peru, an interaction between divisions within the elite[1] and a level of labor protest that was unusually intense, given Peru's relatively low level of development, resulted in two episodes of dramatic loss of control of the political system by the oligarchy, in 1912–13 and 1918–20. Both episodes were followed by the repression of labor protest, and control of the political system was restored.

In this context of flawed political strength of the oligarchy, reform movements emerged in the 1910s in both Argentina (the Radicals) and Peru (Leguía) that undertook important policy initiatives, but that also suffered from what was ultimately a decisive subordination to oligarchic interests. As a result, in both cases a labor incorporation project was contemplated, but due in part to oligarchic opposition, it was aborted and postponed. The reform projects ultimately failed, and overt oligarchic domination was reestablished in the 1930s.

When the incorporation period finally did occur in Peru and Argentina in the 1940s, it took a highly mobilizational form, due in part to the ongoing political frustrations resulting from the long delay and to an international political climate in the 1940s supportive of popular mobilization. Yet as of that decade, these two countries were still characterized by the persistence of an oligarchy that remained a powerful political, economic, and social force. The political "collision" between this oligarchy and the goals of the incorporation project would have important consequences for the subsequent legacy of incorporation.

It is noteworthy that this account of the emergence of different types of incorporation seems to go further toward explaining the degree and form of mobilization initiated from above during the incorporation project than another obvious factor: the prior scope of worker organization and protest, which we will again refer to for the sake of convenience as the "strength" of the labor movement.[2] A relevant hypothesis might be that strong labor movements would "push" the leaders of the incorporation project to initiate more extensive mobilization.

Yet arraying the cases in terms of the scope of mobilization initiated from above during the incorporation period—from Brazil and Chile with little or no mobilization, to Uruguay and Colombia, to Peru and Argentina, to Mexico and Venezuela[3] (see Table 5.1)—one finds no clear pattern. Of the two cases with the lowest levels of mobilization by the state, Chile had a strong labor movement, whereas the strength of the Brazilian labor movement was substantial but much more limited. Of the two cases with the highest levels of mobilization by the state, Mexico had one of the strongest labor move-

[1] In contrast to Uruguay and Colombia, where the divisions were more predominantly political, these divisions in Peru involved deep social and economic cleavages.

[2] See discussion in Chapter 3.

[3] It could be pointed out that the final two pairs—Peru and Argentina, and Mexico and Venezuela—are similar in the scope of mobilization in the modern sector (see Table 5.1) and should therefore be viewed as "tied" on this variable for the purpose of the present discussion. However, in this case as well there seems to be no consistent patterning in relation to early labor movement strength.

ments, whereas Venezuela had one of the weakest as of the start of incorporation. With regard to the third pair, Argentina had the strongest labor movement in the region, whereas the scope of early labor movement development in Peru was far more modest. One interesting regularity that does stand out is the early emergence of the incorporation periods in Uruguay and Colombia in relation to the development of their labor movements. Yet we argued in Chapter 4 that this was not due to the characteristics of the labor movement so much as to the way the dynamics of intra-elite and interparty competition pushed party leaders at an earlier point to make a political overture to labor. Hence, no systematic relationship between labor movement strength and type of incorporation period emerges, although at many points the strength of the labor movement was an important issue in the analysis.

The Legacy of Incorporation. Against the backdrop of the emergence of different types of incorporation projects, the central concern of the book has been with tracing their consequences through subsequent periods (see Figure 8.2). To understand the heritage of state incorporation, it is useful to consider the generalization that in Latin America, labor movements tend to become politicized, and if, as under state incorporation, this politicization is not promoted by the state during the incorporation period, it tends to occur later from within society in a way that may readily escape state control. This occurred dramatically in the 1930s in Chile and began to occur in Brazil after 1945. This radicalization was a principal legacy of the failure to fill political space that was a basic characteristic of state incorporation.

In the cases of party incorporation, the heritage derived in important measure from the playing out, during the aftermath period, of the opposition and polarization generated by incorporation. The events of the aftermath constituted, in the language of Chapter 1, the "mechanisms of production" of the legacy. One can summarize these events in terms of a "modal" pattern of change followed by most of the countries. The conservative reaction to incorporation generally culminated in a coup[4] which instituted an authoritarian period that brought a more intense form of the conservative reaction. Later, when a more competitive regime was eventually restored, in most cases[5] the party that had led the incorporation period underwent a process of conservatization in its program and policy goals. This conservatization reflected the terms under which it was believed that the party could either retain power (Mexico), maintain a newly constructed civilian regime (Venezuela and Colombia), or be readmitted to the political game (Peru, and to a much lesser extent Argentina).[6]

This conservatization had several components. One involved the imposition of a substantial limitation on working-class demand-making,[7] though the party made a systematic effort to retain its political ties with the working class and/or the labor movement. Another was the introduction of mechanisms to limit political conflict and ensure that the polarization earlier triggered by incorporation would not be repeated. In Mexico, this mechanism took the form of strengthening the one-party dominant system; in Venezuela and Colombia, it took the form of the party pact. In Peru and Argentina, where the oligarchy remained strong and labor mobilization had been so extensive, the residue of antagonisms from the incorporation period was intense, inhibiting the regulation of conflict through the cooperation of the political parties. Under these conditions the military attempted to limit conflict through the veto of the full participation of the populist party—enforced by coups if necessary. Among the cases of party incorporation, only in Uruguay did no conservatization take place at this point.

The party heritage of incorporation was summarized in terms of three dimensions: whether there was a majority bloc in the electoral arena located roughly at the center of the political spectrum, whether the union movement was organizationally linked to parties of the center, and whether the union movement was usually in the governing coalition. These three outcomes were in important measure a result of the dynamics of the incorporation and aftermath periods. The incorporation period was the critical juncture in which the working class was or was not electorally mobilized by and organizationally linked to a reformist party, which thereby gained the potential capacity to form a majority bloc. Where neither of these occurred (the cases of state incorporation), attempts to form a majority bloc based on labor mobilization during the aftermath period failed. Where one or both of these occurred (the cases of party incorporation), the important question was whether in the aftermath period the polarization and opposition that resulted from the labor mobilization was worked out in a way that the potential to form an effective centrist majority bloc was realized. Different combinations of these three dimensions led to distinct regime dynamics, with Brazil and Chile emerging as what we characterized as multiparty, polarizing systems; Mexico and Venezuela as hegemonic, integrative party systems; Uruguay and Colombia as cases of electoral stability and social conflict; and Peru and Argentina as instances of political stalemate.

Thus, in Brazil and Chile, in the context of state incorporation, the absence of labor mobilization through a multiclass, populist party during the incorporation period contributed to a legacy of a highly fractionalized party system and the affiliation of labor to parties that were either out of power or were formally "in," but were junior partners in governing coalitions. With the government having few or no political ties to the labor movement, and hence lacking means of hegemonic control, the labor movement, assigned to a position of virtually permanent opposition, underwent a process of radicalization, as did the non-communist parties with which it was affiliated. In

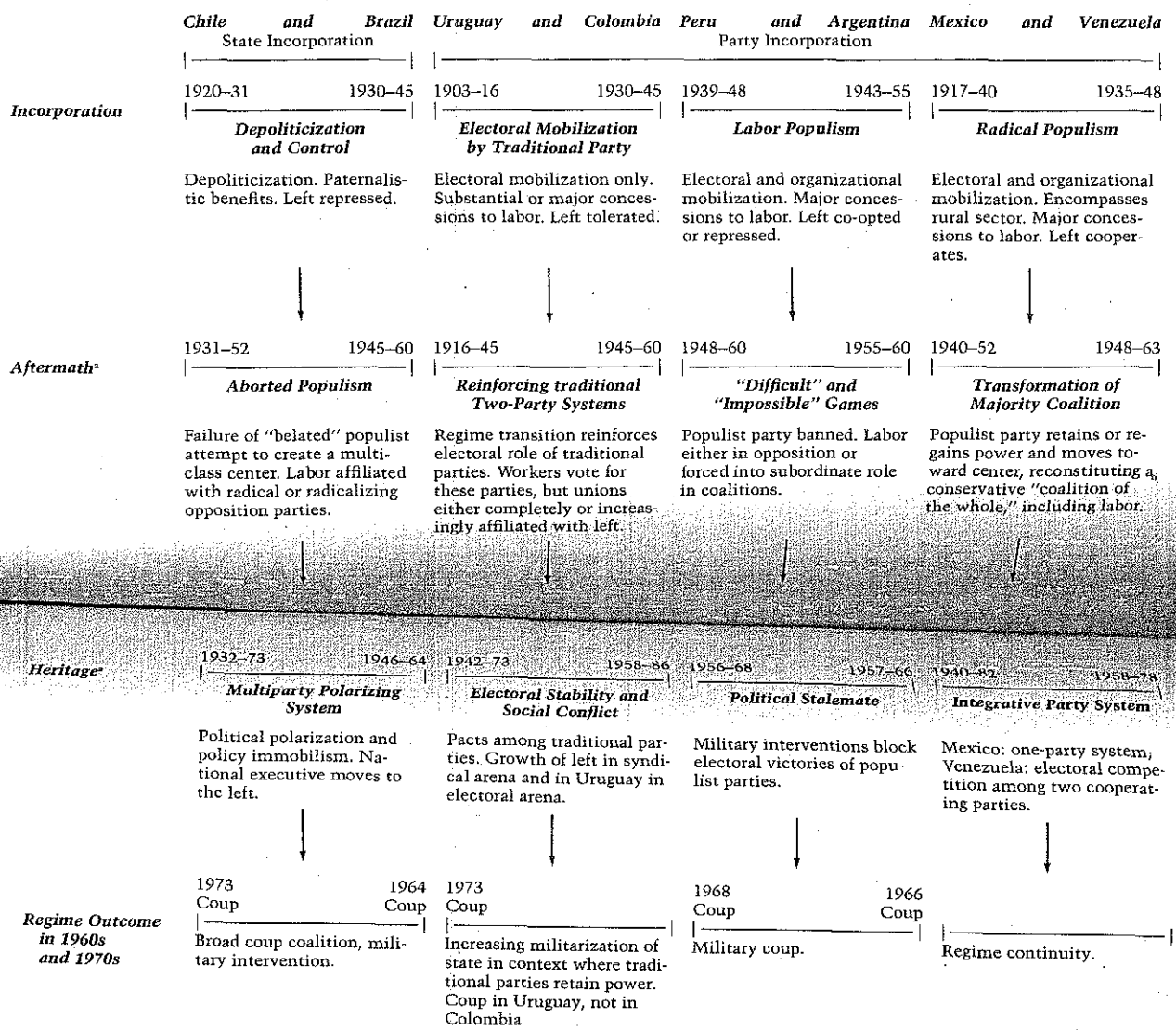
[4] Mexico had a strong conservative reaction but avoided a coup.

[5] In Uruguay this transition was carried out in a way intended to channel the electorate into the two traditional parties and away from the left, but a conservatization of the Colorado Party did not occur at this time.

[6] In Argentina, conservatization under these terms might be said to have occurred in the period of Vandor's leadership in the mid-1960s, but it was not an overall characteristic of the aftermath or heritage period.

[7] Again, Uruguay is an exception.

Figure 8.2 Incorporation and Its Legacy



[a] As noted in Chapter 7, the heritage period overlaps with the aftermath period.

addition to these parties, the labor movement also had close ties to the communist parties. During the 1960s and 1970s, when new opposition movements, polarization, and political crisis were experienced throughout Latin America, this legacy played a central role in the process of radicalization that occurred in both countries, though the radicalization in Brazil took place on a more limited scale. The growing strength of the left culminated in its actual or apparent victory: in Chile, an electoral front of Marxist parties won the presidential election in 1970; and in a different way the turn of events in Brazil also moved the presidency to the left after 1961. As polarization and decisional paralysis proceeded in both countries, a broad coup coalition formed and the military intervened, establishing an extended period of military rule and attempting to eliminate the political system that was the heritage of incorporation.

If Brazil and Chile were "negative" on all three dimensions, Mexico and Venezuela were just the opposite, "positive" on all three. In those countries, the party that led the incorporation period mobilized both labor and peasant support and was able to establish electoral dominance. By the end of the aftermath, a conservatization of the populist party allowed for the formation of broad coalitions based on the incorporating party, either alone (Mexico) or in cooperation with other parties (Venezuela). Maintaining close ties with the labor movement, this party provided the state with legitimacy and offered the government important political resources with which to respond to the opposition movements and crises of the 1960s and 1970s.

Colombia and Uruguay were intermediate cases, differing from Mexico and Venezuela largely due to the absence of strong organizational links between the labor movement and the incorporating party. In the heritage periods in both countries, the vote of the working class in important measure remained tied to the traditional parties, but labor confederations were much less closely linked to these parties, and both countries experienced a significant increase in labor militancy. In the face of worker and guerrilla challenges during the period of polarization and crisis in the 1960s and 1970s, Uruguay and Colombia experienced social conflict and substantial militarization of the state, even though the traditional parties did not lose control of the electoral arena, although the left did grow significantly in Uruguay. In Uruguay this militarization of the state went further, to the point that it culminated in the coup of 1973. Factors that help account for this divergence between the two countries, within the framework of many commonalities, include the greater labor radicalization in Uruguay; the more dramatic impact of the guerrilla insurgency on national institutions; the unsettling effect of the left's growing electoral strength; the long-term decline of the export sector, which undermined the economic base for the Uruguayan state's heavy commitment to welfare spending; and the much greater difficulty of the Uruguayan government in shifting economic models to address the economic decline.

Finally, Peru and Argentina were similar to Mexico and Venezuela on the three dimensions with one exception: the labor movement was not in the

governing coalition. A central feature of the heritage of incorporation was the ban on an electorally strong populist party that was thereby relegated to an opposition role for much (Peru) or all (Argentina) of the later 1950s and 1960s. This ban reflected a legacy of antipathy between populist and antipopulist forces that had no counterpart in the other six countries. Anti-*Peronismo* and anti-*Aprismo* were fundamental points of reference in political life, and populist/antipopulist antagonisms encompassed not only a political dimension, but also reflected profound cultural antagonisms. These antagonisms and this ban played a central role in the distinctive pattern of political stalemate in the 1950s and 1960s. This stalemate was one of the principal conditions that led to the coups of 1968 (Peru) and 1966 (Argentina), coups that—unlike the "veto" coups of the early 1960s in these two countries—inaugurated long-term military rule through which the military sought to supersede the stalemated party system.

To conclude, if one considers the implications of the failure to fill political space in the state incorporation experiences of Chile and Brazil, the scope of mobilization in the different types of party incorporation, and the contrasting ways in which the conservative reaction to party incorporation was accommodated, one can order a large body of information concerning the political history of these countries.

Erosion of the Heritage?

The analysis has traced out the heritage of incorporation to one of two end points. In five of the countries (Brazil, Chile, Uruguay, Peru, and Argentina), the political dynamic that derived from incorporation inhibited the establishment of stable patterns and ultimately resulted in a military coup that appeared to bring this political dynamic to an abrupt end. In the other countries (Mexico, Venezuela, and Colombia), the legacy was a more stable pattern that endured, with no dramatic end point. For the first five cases the analysis extended to this coup, whereas for the other three it extended to approximately 1980. The question of what happened beyond these periods then arises: how long did the heritage of incorporation persist? Though no clear answer could be given as of the late 1980s, a few comments can be made.

Among the five countries where coups overturned the civilian regimes and interrupted established patterns of party politics, Brazil and Chile experienced the longest periods of military rule and elaborate attempts by the military to impose new political structures. In both countries, the political project of the military was to purge the left, rid the country of the prior political system, and establish new institutions that would prevent the recurrence of the old political dynamics of radicalization, polarization, and decisional paralysis. In both cases, the military oversaw a long and complex period of constitution-mongering and electoral engineering in an attempt to create a new

civilian political arena restricted to actors it considered acceptable. In both cases, too, this effort failed.

In Brazil, by the end of the 1980s the transition from a military to a democratic regime was completed, with the new constitution and direct presidential elections at the end of 1989 capping a long process that included the earlier introduction of elections at other levels and, in 1985, the restoration of civilian rule with the inauguration of President Sarney. The Brazilian military had gone through contortions of institutional experimentation, attempting to find a solution first in a two-party system and then in a multiparty system. Yet what immediately emerged, as the military stepped down and a strong bandwagon effect produced tremendous support for the opposition, was on the surface a one-party dominant system based on the PMDB, which won about 70 percent of the presidential vote in the electoral college in late 1984, combined with splintering and fractionalization in the rest of the party system. However, just as in the 1946–64 Republic, when one could conclude little about regime dynamics from the formal existence of a three-party system, so in the post-military period after 1985 the image of a single large party was deceiving. Indeed, after the long interruption by military rule and the great effort of the military government to design and control the new political regime, what was striking was the apparent reappearance of some of the old dynamics.

Hidden under the dominant-party facade was an emerging pattern of fractionalization that became more marked as the Sarney government wore on. Internally, the PMDB could not hold its diverse factions together, as witnessed for example by the defection from the party of what became the PSDB. Even more striking was the level of fractionalization that became explicit in the 1989 elections: no fewer than 24 presidential candidates initially threw their hats into the ring and the two who made it to the final runoff election represented parties that jointly held less than 5 percent of the congressional seats.[8]

As this pattern indicates, parties in Brazil continued to be fragmented and weak. Indeed, unlike the case of Chile, the post-military parties in Brazil were largely new. Nevertheless, the potential for a restoration of a polarizing dynamic seemed evident. Interparty (or interfactional) groupings along more ideological or programmatic lines reappeared. This pattern was especially evident in the blocs that formed in the Constituent Assembly of 1987–88 (Bruneau 1989). In addition, on the right the private sector resumed an active role in political and electoral affairs through its organization, FIESP. At the same time the labor movement seemed to be in a similar coalitional position to that in the pre-1964 period, that is to say, in a position of substantial political autonomy. As in the pre-1964 period, unions had some connection with the PMDB and other center-left parties, but these links did not provide the kinds of mechanisms for labor conciliation and class compromise found in cases such as Mexico and Venezuela. A new element, however, was the PT (Workers' Party), which was founded on the basis of the workers' movement that erupted in the late 1970s. The PT achieved unanticipated electoral success in municipal elections at the end of 1988, and it emerged as the second-place winner in the initial round of the 1989 presidential contest.[9] The potential for renewed polarization could be seen in the collapse of the PMDB as a broad centrist coalition representing a viable electoral force and its replacement by forces more clearly identified with the right and left. Indeed, the runoff elections pitted a free market candidate Fernando Collor de Mello, the ultimate victor, against Luis Inácio da Silva (Lula), leader of the strike movement of the late 1970s and founder of the PT.

A further word might be added about the reactivation of the Brazilian labor movement, which began with the São Paulo strikes of the late 1970s and continued through the civilian regime with the formation of two new labor centrals, the CUT and the CGT, and with protest against economic stabilization policies. To many analysts—who focused on the high level of state control over the union movement introduced during the Vargas government of the 1930s and early 1940s and on the subsequent retention of that legal framework through the military period—labor reactivation in the 1970s strike movement came as a surprise. The socioeconomic change Brazil had experienced during the military period was typically invoked as an explanation. That is, with the economic "miracle" and sustained high rates of growth, the military regime oversaw a process of industrial expansion and the formation of a larger, more skilled labor force, working and living in concentrated areas of industrial production. This "new" working class was often seen as providing the basis for the labor activation that began in the late 1970s.

Although these socioeconomic changes were undeniably part of the explanation, the labor activism of the 1970s and 1980s was no surprise from the standpoint of the present analysis, which places more emphasis on the dynamics set in motion by the incorporation experience, particularly on two aspects of its evolving legacy: the relative political autonomy of the labor movement from governing centrist parties and the consequent polarizing dynamic, which was most apparent whenever controls were relaxed—that is, in the mid-1940s and in the last years before the 1964 coup. The reemergence of these tendencies with the return to an open regime is an outcome that might be anticipated from the perspective of the present analysis.

Finally, immobilism in important areas of policy seemed to be reemerging, most dramatically in sharp vacillations of economic policy, suggesting yet another aspect of continuity with the heritage of incorporation in Brazil. Even the military regime, as it was preparing its exit, was unable to implement a stabilization policy over any sustained period, in part because of the political pressure that accompanied the regime opening. The vacillation of

[8] *New York Times*, Nov. 20, 1989.

[9] The third runner-up, with nearly the same level of electoral support as Lula, was a familiar figure on the populist left, Leonel Brizola.

the civilian government beginning in 1985 in confronting the stabilization and debt issues was reminiscent of post-1950 Brazil.

In Chile, the transition to a democratic regime was just occurring with the December 1989 elections, the first since the coup of 1973. Having been masterful in his capacity to dominate the political arena during 15 years of military rule, General Pinochet miscalculated on the last step of his carefully laid out plans and, at the end of 1988, lost the plebiscite that would have paved the way for introducing a civilian regime under his own presidential tutelage. With this defeat, support for the proregime forces began to hemorrhage. The ability of opposition groups to work together for the "No" campaign in the plebiscite provided the basis for ongoing cooperation and the formation of a single opposition list for the 1989 elections. Thus, as in Brazil, a strong electoral pole of opposition was created. The Christian Democratic Party was the anchor of the new 17-party Concertation of Parties for Democracy (CPD) and provided its presidential candidate, Patricio Aylwin, who decisively won the election.

Yet, despite the emergence of a majority electoral bloc, the reappearance of a polarizing dynamic could certainly not be ruled out. The unity within the CPD could well be fragile. As Pinochet's power dissipated, constitutional amendments, ratified in a July 1989 plebiscite, were forced upon him, and these included a provision backing off from the ban on Marxist parties. Because of the short interval to the December elections, this change did not have much of an impact on those elections, but it had clear implications for the future. Also, on the right, some consolidation had been achieved with the cooperation of forces representing the political (RN) and economic (UDI) right, though a host of pro-Pinochet parties were not included in this major challenge to the CPD. In short, by the end of 1989 a great multiplicity of parties continued to exist in Chile—and often the same pre-1973 parties. For the moment, they had solidified around two major electoral fronts, though it was impossible to predict that these political blocs would endure, rather than fractionalize, as occurred in Brazil. In addition, the prospect of renewed political polarization could certainly not be discounted. The CPD was committed to an economic policy that would not represent a major departure from that of the final years of the Pinochet period, raising the possibility of a perpetuation of economic hardships that could produce a strong resurgence of new forms of opposition politics.

Mexico and Venezuela did not undergo the sharp regime discontinuities introduced in Brazil and Chile by military coup. Yet behind the relative continuity of regimes in Mexico and Venezuela, one must inquire about underlying changes. Rapid urbanization and social change had important consequences for both of the parties that earlier led the incorporation project. In the context of urbanization, the declining demographic and political importance of peasants cut into a major pillar of support for both the PRI and AD, at the same time that these parties, traditionally dependent on mobilization through sectoral organizations, were unable to win much support within the swelling urban informal sector. With the economic crisis of the 1980s, the

government was constrained in its ability to offer material payoffs to sustain the coalition. Indeed, the austerity and stabilization policies prompted by the debt crisis, as well as a more general turn to economic restructuring, took a heavy toll on growth, employment, and real wages. In both countries, land reform virtually ground to a halt, and there was some evidence of the emergence of a new, incipient, more combative unionism, though this remained difficult to assess.

Venezuela seemed in a better position than Mexico to absorb these pressures for change, since during the postincorporation period Venezuela made the transition to an electoral basis of legitimacy and moved to a competitive system, thereby opening a channel for expressing opposition and discontent by "throwing the bums out." Somewhat paradoxically, however, in the 1980s, the regular alternation of the two parties in the presidency was interrupted. In 1984 AD's Carlos Andrés Pérez was succeeded in the presidency by fellow party member Jaime Lusinchi, and five years later Pérez returned to the presidency. Nevertheless, cooperation between AD and COPEI remained a significant feature of the Venezuelan regime, and the ongoing need for this cooperation was evident in the failure of AD to win a majority in either house of Congress in the 1988 election.

In Mexico, the PRI's capacity to cope initially seemed impressive. Following the onset of the debt crisis in 1982, the government instituted an orthodox economic shock treatment and began to reorient the economy along liberal lines. Furthermore, with some variations, it sustained these policies and particularly the economic restructuring during the entire presidency of de la Madrid, from 1982 to 1988. The result was the first presidential term since the revolution showing no economic growth, a general drop in the standard of living, and a dramatic decline in real wages. Moreover, this occurred with relatively little protest or mobilization of popular sector opposition; and though the conservative PAN was able to present a greater challenge in the midterm elections of 1985, the parties of the left were not very successful in capitalizing on this situation. As 1988 opened, the government engineered a social pact between labor and capital that once again seemed to confirm the capacity of the PRI to negotiate and bargain with major social groups.

In the July 1988 elections, however, discontent burst forth in the dramatic success of Cuauhtémoc Cárdenas, son of the former president, who broke with the PRI to stand as an opposition candidate on a reformist platform of democratization, nationalism, and a policy reorientation that would address the forgotten issues of social justice and equitable development. Even if one accepts the official results, rather than Cárdenas's claim of victory in the three-way race with the PRI and the PAN, the PRI was reduced to just half of the votes, an outcome that seemed to mark the initiation of a new era.

At a time when past patterns of negotiation and conciliation in Mexico were limited by the constraints of economic policy and when symbolic assurances were wearing thin as policy moved to the right, a potential opposition victory appeared to undermine the hegemonic regime in a way that did not seem to be the case for Venezuela. Strong pressures emerged within

Mexico to hold genuinely competitive elections. Social sectors and opposition groups on both the right and the left, which had not been centrally included in the PRI's system of negotiations, demanded political liberalization and democratization with increasing vehemence. Reformist factions within the PRI had earlier wanted to democratize the party internally, and Cárdenas represented only the most recent, though certainly the most important, of these. Even the PRI faction associated with President Carlos Salinas de Gortari sensed that a transition from negotiation and clientelism to electoral support would be more consonant with a liberalization of the economy in which the market was left free to impose hardship. Yet the transition was difficult, being opposed by groups that benefited from the old system, and it was not clear to what extent the Salinas forces could politically afford to let go of the traditional patterns of support, particularly with the continuing vitality of the Cardenist opposition.

Though the future was unpredictable, at the end of 1989 it was possible to contemplate perhaps three scenarios, which differed with respect to the success of Cárdenas's PRD. The first focused on the capacity of the PRI, using a variety of political and coercive resources including blatant electoral fraud along with repressive measures that targeted PRD activists, to defeat the Cárdenas challenge and remain a majority party, if no longer a dominant party in the same sense. In this scenario, the PAN would be the major but limited opposition force, substantially cooperating with the PRI over largely shared economic policy. This strategy seemed to be that of the new Salinas government inaugurated at the end of 1988 (R. Collier forthcoming). In the second, the PRI would not be successful in this strategy in the medium to long run. Instead, the newly formed PRD of the Cárdenas forces would remain a viable and more institutionalized challenger, and the PRI and PRD would compete openly as two more evenly matched parties, with the PAN in a more secondary role. In this case, broader cooperation between the PRI and the PAN to meet the PRD challenge seemed a strong possibility. Indeed such cooperation was evident in the politics of the new electoral law. In this two-and-a-half party system, a dynamic of convergence would likely come into play. It would seem probable that the PRI, in order to compete with the PRD, would have no choice but to moderate its economic policy in order to attract the support of its traditional mass constituencies. For its part, the PRD in many ways, aside from its commitment to competitive democracy, represented the same nationalist, reformist rhetorical/ideological space historically occupied by the PRI, though abandoned by it in the 1980s. Aside from its rhetoric, its program was moderate and pragmatic, explicitly recognizing economic constraints and the new economic realities, to which the PRI program was responding. However, for the PRD, the new realities meant that a simple return to old formulae was not possible. In the third and least likely scenario for Mexico, a massive defection from the PRI would accrue to the PRD. The result, in some sense, would be the replacement of the PRI with the PRD as a kind of resurrected and renamed PRM (the populist party of the 1930s incorporation period), a dominant, progressive party, but proba-

bly without the same kind of formal linkages to the labor movement, though with its support.

Among the four pairs of countries, Uruguay and Colombia constituted the only pair in which one country had a coup and the other did not. In Uruguay, despite the efforts of the military during more than a decade of harsh authoritarian rule to eliminate or subdue actors they deemed responsible for the earlier crisis, with the transition to democracy in the mid-1980s the earlier characteristics of the party system were quickly restored: the strong electoral position of the Colorados and the Nationals, a significant role for the electoral left, and a pluralistic labor movement affiliated with the left.

Indeed, as of the 1980s, the electoral left in Uruguay became more important. The left coalition, the Frente Amplio, increased its vote between the 1971 and 1984 elections from 18 to 21 percent. Subsequently in 1989, despite the defection of a cluster of small parties from the Frente, it gained roughly 20 percent of the seats in both chambers of the legislature, and, together with the parties that had split from the coalition, won around 30 percent of the seats in the lower chamber. The Frente also won the municipal election in Montevideo with 34 percent of the vote. This was a significant outcome, because Montevideo contained roughly half the country's population and because this victory gave the Frente the post of mayor in the capital city.

This showing might be taken to suggest a potential process of polarization, yet such an assessment should be evaluated with caution. It could be argued that even in the polarized context of the early 1970s, the Uruguayan electoral left had been more moderate than that, for instance, in Chile. Relatedly, with regard to the electoral outcome of 1984, it is noteworthy that the title of Rial's (1986) analysis of the 1984 election referred to it as a "Triumph of the Center." These considerations, plus the deflation of developmental expectations in the profoundly changed political climate of the 1980s, made the immediate potential for polarization limited. Further, given Uruguay's reasonable economic performance, some of the gravest aspects of the earlier economic crisis seemed to have been superseded. Nonetheless, with an important left in the electoral arena and a labor movement strongly linked to the left, the possibility of a renewed political crisis could be substantial in a context that presented an opportunity for polarization.

As of the late 1980s, Colombia had experienced four decades of regime continuity. The two traditional parties continued to perpetuate their strong electoral dominance, though with a modest change in interparty relations in the fact that, after 1986, President Virgilio Barco of the Liberal Party ended the tradition of coparticipation with the Conservatives, opening the possibility of more vigorous two-party competition.

However, notwithstanding this step, which could potentially lead to greater competitiveness, a central issue remained unaddressed: the stability of the two-party system was so extreme as to produce a strong delegitimation of the regime, with low voting rates, extensive violence on the right, the continuing guerrilla insurgency on the left, and widespread frustration with the existing order. In the early to mid-1980s President Betancur had launched

a democratic opening, introducing the election of mayors at the municipal level for the first time and providing a channel through which the insurrectional left could enter the electoral arena. As of the end of the 1980s, the consequences of this new sphere of electoral competition were still hard to assess. Yet it was clear that the initiative had not created significant new space for political opposition. The electoral incorporation of the left was unsuccessful, due both to the failure to sustain a cease-fire with important insurgent groups and to the systematic assassination of leftist politicians by right-wing death squads. These assassinations were part of a larger pattern of harassment and killing of leaders of virtually any progressive political group that sought to mount serious opposition to the government, with the result that the political space for a legitimate opposition was very limited indeed. This harassment and killing seriously debilitated the labor movement, whose weakness at this point was dramatically reflected in the failed general strike of late 1988.

The drug trade, though it may have given the economy a considerable boost, posed an enormous political problem, as the government tried unsuccessfully to deal with the drug lords, who fought back with impressive resources. The already-high level of violence and killing that derived from drug trafficking escalated into a sustained assault on the system of justice through the assassination of judges, police officers, and a minister of justice, and also through attacks on journalists and newspapers that reported news on drug issues or supported the government's campaign against the drug lords. In 1989, the crisis further escalated with the spectacular confrontation between the government and the narcotics cartel, following the cartel's assassination of the leading presidential candidate, Luis Carlos Galán. This confrontation threatened the authority of the state and raised questions about the ability of the government to maintain basic policies, such as effectively prosecuting criminals, that were essential to dealing with the narcotics trade.

Thus, although the established two-party system did not seem immediately threatened, Colombia faced multiple crises, including especially the political and legal crisis posed by the drug trade and the crisis of legitimacy due to the relentless assaults on the normal functioning of virtually any form of political opposition. Yet, despite the depth of these crises, it was not clear that drastic change was imminent. Hartlyn (1988:235) argues that "the Colombian political process has confounded pessimists and disappointed optimists. If the recent past is the best indicator of the immediate future, then the process of . . . political re-accommodation will be drawn-out, resisted and uneven."

In Peru and Argentina the obvious point to make was that the "centerpiece" of the analysis of the heritage period—the ban on APRA and Peronism—no longer existed. In Argentina, the post-1966 military government, which had self-confidently launched its project to eliminate the pre-1966 political system, collapsed in the face of massive social protest, and in 1973, after a decisive electoral victory, Perón was allowed to assume the presidency. An evaluation of the experiment in Peronist rule from 1973 to 1976

could potentially be used as a comparison case to explore the "counterfactual" question of what a Peronist government would have been like, had it been allowed in the 1950s or 1960s. Yet three complications during the 1973 to 1976 period made the situation so distinctive that such an exercise is dubious: Juan Perón's death in 1974; the political incompetence of his wife Isabel Martínez de Perón, who succeeded him in the presidency; and the extreme polarization of Argentine politics at that time, including a major urban insurgency and exceptionally high levels of violence and killing on both the left and the right. This insurgency and violence occurred in the second phase of regional radicalization discussed in Chapter 7. It therefore posed a far greater challenge than in most of the other countries or in Argentina in the 1960s.

Following this failed experiment in reintegrating Peronism into the political system, the military government, which ousted the Peronists in 1976, launched its infamous "dirty war" against the "subversives" and initiated a neoconservative economic project that—in conjunction with the heavily overvalued exchange rate and the emerging debt crisis—produced an economic disaster. Discredited by the scope of repression and by the economic difficulties, the armed forces made things worse through military adventurism in the debacle of the Falklands/Malvinas war with Great Britain, which they lost dramatically.

In the 1983 election that followed the precipitous collapse of the military regime, the Radicals[10] won with the help of various factors, including their candidate's close identification with the human rights movement that had emerged out of the military repression and also a poor choice of candidates by the Peronists. However, the Peronists became well established as the second party in a competitive two-party system, and in 1989 they won the presidency with the election of Carlos Saúl Menem. As noted above, following the period of the ban on Peronism, the Peronists had previously assumed the presidency in 1973. However, at that point their assumption of power was permitted as a desperate attempt to find a solution to the extraordinary crisis of Argentine politics. In 1989, the Peronists' succession to the presidency was, by comparison, a routine transfer of power. In fact, remarkably, 1989 was the first time in Argentine history that a president who came to office through a fully free election was replaced by a president of a different party who also came to office through a fully free election.

Notwithstanding these important steps toward institutionalizing a competitive regime, among the four countries with newly established civilian regimes in place by 1989, Argentina was the most actively threatened by military rebellions, with repeated crises revolving around the prosecution of officers in connection with their role in the earlier military repression. Later in his term, President Alfonsín sought to mitigate these crises by limiting the scope of prosecutions, and shortly after coming to office in 1989, President Menem granted a broader amnesty that played an important role in al-

[10] After the decline of the UCRI in the 1960s, the UCRP adopted the old party name.

leviating military tension. The severe economic crisis and the emergence of new forms of social protest over food prices posed ongoing threats, but by the standard of 20th-century Argentine history the country had entered a period of at least some stability at the level of regime and of governmental transitions, having achieved a competitive two-party system.

In Peru, the post-1968 military government had assumed power with an ambitious agenda for restructuring the political system. To a greater extent than in the other cases of military rule, the military's efforts not only failed but backfired. Seeking to undermine APRA, the military government first supported the Communist Party within the labor movement and later created its own labor confederation and also an organization for social mobilization called SINAMOS, which decisively raised, and then dramatically frustrated, expectations in the popular sector. These initiatives had the effect of pushing much further the process of labor radicalization that had begun in the late 1960s. By the end of the 1970s, APRA largely lost its ties with organized labor, which came to be affiliated primarily with the left. Peru also developed an important electoral left, which, as in Uruguay, was a significant force above all in the national capital, where a leftist mayor was also elected. In comparing APRA's loss of the labor movement and of popular sector support with Peronism's ongoing strength in that sector, one sees a further legacy of APRA's conservatization in the 1950s and 1960s.

During the transition in Peru to a civilian regime in the late 1970s, the ban on APRA was superseded and the party was allowed to play a full role in the Constituent Assembly of 1979 and in the general elections of 1980. Haya de la Torre died in 1979, exactly 60 years after he launched his political career in the worker-student protests of the late 1910s, yet without ever achieving his dream of becoming president of Peru. Belaúnde regained the presidency in 1980, in part due to a poor choice of candidates by APRA.[11] However, in the next presidential election APRA finally won under the leadership of Alan García. This might seem to be a major step toward establishing a competitive two-party system, as in Argentina. Yet Belaúnde and his party, AP, were so discredited in 1985 after his presidential term that the party's vote plummeted in the election of that year. What seemed instead to be emerging was a multiparty system with a substantial left; APRA, whose policies and political posture range from the center-left to the center-right; and a variety of smaller center-right to conservative parties.

One of the major questions about Alan García's presidency beginning in

[11] This represents again a partial parallel with the Argentine election of 1983 (see above), in both cases involving candidates from the more "unsavory" wing of these parties that had gone through so many years of underground struggle and that had developed sectors oriented toward thuggery and political violence. In Argentina this involved the candidate for the second most important public office in the country, the governor of the province of Buenos Aires, who was a leader from the trade-union wing of Peronism and who proved to be a major liability to the party in an open electoral contest. In Peru, the presidential candidate of 1980 had a background in the *búfalo* wing of the party (which had earlier promoted the use of thugs in APRA's "security" operations).

1985 was whether he would use APRA's renewed access to state resources in an effort to win back party control of the labor movement. Interestingly, he did not. Whereas APRA's historic appeal to the working class had been to the labor movement in the formal sector, García deemphasized this traditional link and focused on a broader appeal oriented more centrally toward Peru's massive informal sector.

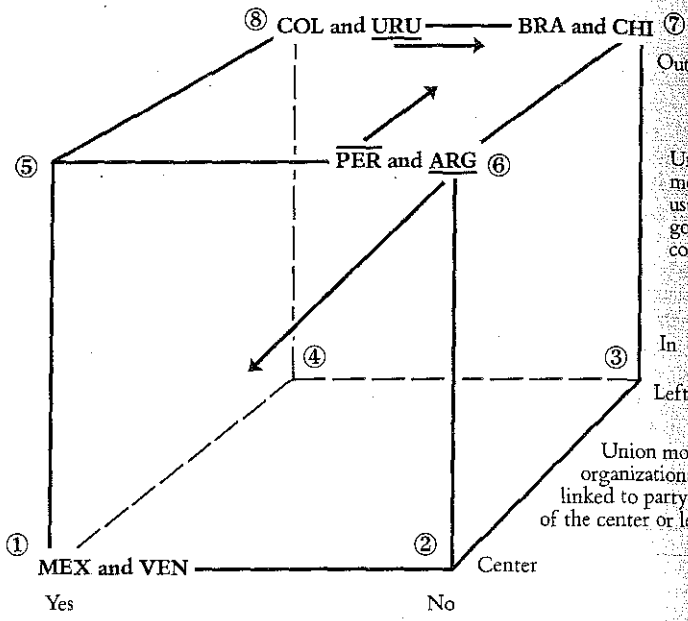
At the beginning of his presidential term, García was perceived by many to have gotten his administration off to a good start. Yet throughout his years in office, he was bedeviled by grave problems: Peru's severe economic difficulties; the Sendero Luminoso insurgency, which departed from the tradition of Latin American guerrilla movements in its extreme use of terror and which, as of 1989, was proving to be increasingly powerful; the distortion of social and economic relations through the growing prevalence of drug trafficking, the growing corruption of the police and the ineffectiveness of the legal system and the prison system; and dramatically rising levels of social violence. García also committed a series of policy blunders including a poorly executed nationalization of Peruvian banks, which produced a confrontation with the banking sector that the president dramatically lost. At the end of his term, García was fully as discredited as Belaúnde had been in 1985.

Thus, the changes in Peru had three crucial components. First, as in Argentina, the ban on the populist party was no longer a fact of politics. Second, as in Uruguay, a substantial new electoral left had emerged. Third, in contrast to Peronism's ongoing dominant role in the Argentine labor movement, APRA largely lost its position in the Peruvian labor movement, and in a new socioeconomic context, in which the formal sector was declining and the informal sector appeared to be of rising importance, APRA did not seek to regain this old constituency. Finally, among the eight countries, Peru—along with Colombia—was experiencing the most grave social and economic crisis, accompanied by severe delegitimation of the state and deterioration of the functioning of state institutions. With these transformations, Peruvian politics was probably the most changed in relation to earlier periods of all the eight cases.

The overall patterns of continuity and change among the full set of countries are summarized in Figure 8.3. This figure replicates Figure 7.2 from the heritage chapter, locating the countries in terms of three dimensions: whether there was a centrist majority bloc in the electoral arena, whether the union movement was organizationally linked to a party or parties of the center, and whether the union movement was usually in the governing coalition. In Figure 8.3, the corners of the cube, which represent alternative "poles" in terms of different combinations of the three variables, are numbered to facilitate identification of different trajectories of change.

As the 1980s closed, it seemed possible that both Brazil and Chile would remain at (or return to) Pole 7. In both, the antigovernment forces at the end of the military regime initially came together in impressive unity. In Brazil, that unity fell apart and a fractionalized and potentially polarizing regime

Figure 8.3 Framework for Analyzing Trajectories of Change



seemed to be reemerging. Chile was, in a sense, a step behind Brazil in regime evolution. Elections in the final days of the decade would bring about the return to civilian rule. In connection with that transition, as in Brazil, substantial consolidation of opposition forces occurred, forming the basis of a new government. The stability of this electoral front would be an important issue of the next period. A further element affecting the potential for renewed polarization in both countries was the international reorientation of Communist movements and the crisis of Marxism in Eastern Europe and the Soviet Union. Accompanying these developments was a greater consensus favoring market mechanisms, reinforced by the constraints of the debt crisis and IMF conditionality.

Venezuela seemed likely to remain near Pole 1, showing little movement on any of the dimensions. With the left unable to capitalize significantly on discontent over economic policy, a change toward fragmentation seemed unlikely. A potential source of change was the discontent over economic stabilization policy, which dealt harshly with those who could least afford it. President Pérez quickly followed his inauguration in 1989 with a "shock" program of economic adjustment and stabilization. This was immediately greeted, in February 1989, with widespread rioting in which 300 to 500 lives

were lost. In addition, relations between labor and the government grew increasingly tense, as wages dropped about 50 percent during 1989, according to CTV calculations.[12] Nevertheless, despite a potential tendency toward a more combative labor movement, one could find no clear indication of a loosening of AD-labor ties. In the case of such a change in the labor sector, movement would be toward Pole 8, with greater social conflict and perhaps a strengthening of AD-COPEI cooperation.

The direction of change in Mexico was harder to discern. The growing importance of PAN and the dramatic appearance of the Cárdenist movement pointed to the end of the one-party hegemonic system, a fundamental change, the significance of which should not be underestimated. Yet, none of the three scenarios sketched above represented a movement away from Pole 1. One way or another, it seemed likely that if a greater degree of competitiveness was introduced into the regime, movement would be toward a pattern more similar to that in Venezuela. That is, to the extent one-party dominance was undermined, what might emerge was a "one-and-a-half" or "two-and-a-half" party system with centripetal dynamics, a more open regime with greater electoral competition among parties that tended toward programmatic convergence.

In Uruguay, the regime transition of 1985 largely restored the prior political system, with the two traditional parties still in a strong role and, as of 1989, in control of the presidency. The left sustained, and even strengthened substantially, its position in relation to the early 1970s in a pattern that might be approaching that of a three-party system. Uruguay thus showed potential for movement toward Pole 7, though as noted above, in the political climate of the late 1980s, and given the political moderation of the Uruguayan electoral left, even before the 1973 coup, polarization hardly seemed imminent. In Colombia the overwhelming dominance of the two traditional parties had persisted without interruption since 1958, and the electoral arena remained largely closed to the left. Thus Colombia seemed more likely to stay at Pole 8, although as of the end of the 1980s the severity of the confrontation with the drug lords raised many questions about the future of the Colombian political system.

The major innovation in the post-military regimes of Peru and Argentina was the end of the ban on the populist party.[13] In the first election in the 1980s in both countries, the populist party (APRA and Peronism) lost, so these parties did not immediately assume power. Nevertheless, the populist party remained a strong electoral contender, as witnessed by its subsequent victory in both countries. In the framework of this commonality, the two countries were changing in different directions. In Peru, APRA lost its close ties to the labor movement. Subsequently, a strong electoral left emerged in the 1970s, drawing major support from labor. The possibility thus emerged

[12] *Latin American Weekly Report*, Nov. 16, 1989.

[13] This ban had been briefly removed in 1973 in Argentina but then reimposed by the 1976 coup.

that Peru might be moving toward Pole 7. In Argentina, on the other hand, Peronism maintained its close ties to the labor movement and no strong electoral force emerged on the left. Argentina therefore had the potential for movement toward Pole 1 and some form of integrative two-party system. It was this possibility that gave efforts at concertation and social pact formation in Argentina a special analytic importance from the standpoint of this study. It is noteworthy that Peru and Argentina were the only pair in which both countries were moving in new directions. In this sense, the heritage of incorporation was least stable in these two cases. Indeed, this makes sense since a principal feature of the heritage was the ban in APRA and Peronism. With this ban eliminated, politics changed.

The Role of Social and Economic Explanations

This book has presented an argument centered on the long-term legacy of political contrasts among the incorporation periods. It has explored the political dynamics through which this legacy was perpetuated, and, in the previous section, the political dynamics that would be entailed in the potential erosion of the legacy. Despite this emphasis on political dynamics, it is not our position that socioeconomic factors are unimportant as determinants of politics, but rather that for outcomes of broad regime type and regime dynamics, which are of interest here, their impact is not continuous, but rather occurs in crucial episodes of reorientation and institutional founding.

Given this model, it is worth returning to the question: what is the impact of socioeconomic change and which socioeconomic changes triggered the critical juncture of the incorporation periods on which we have focused? The literature on Latin American development has presented numerous arguments about the varied ways in which socioeconomic change has shaped the political sphere, focusing on such transformations as the emergence of the new export economies beginning in the latter half of the 19th century, the economic disruption that occurred in the context both of the world depression and the two world wars, the internationalization of these economies beginning in the 1950s, and the distinct phases of import-substituting industrialization that have accompanied these other transformations. Many scholars have pointed to the links between the phases of import substitution commonly seen as linked with the depression, on the one hand, and the emergence of such political phenomena as the incorporation periods and populism, on the other.[14]

A basic conclusion of the analysis is that the connection between many of these economic changes and the specific political transitions and regime outcomes we analyze is not as direct as some of the literature would seem to suggest. With reference to the relative timing of the initial incorporation period and the phases of import substitution that began with the depression, it

[14] For an overview of some of this literature, see D. Collier [1979:chap. 1].

is evident that the incorporation period sometimes came earlier, sometimes coincided with these economic transitions, and sometimes came later. There was no regular pattern. These major economic changes were a significant part of the context in which such political transformations occurred and at certain points played a conjunctural role in influencing the incorporation periods, but their causal importance has at times been overstated.

If one wished to single out a major economic and social transformation that did appear crucial in setting into motion the processes of political change that are the focus of this book, it would be the earlier period of export expansion, which began in the latter part of the 19th century and extended into the first decades of the 20th century. As we saw, this period of growth stimulated not only massive urban and commercial development, but also significant expansion in manufacturing that occurred well before the industrialization often identified in the literature with the period during and after the depression.[15] This earlier era of growth brought into being the actors and processes of change that were central to the political transformations analyzed here. These included the export oligarchies themselves and the middle sectors which, at times in alliance with dissident elements of the oligarchy, initiated the major reform efforts of the first decades of the century. This earlier period of growth also created the economic and demographic base in the commercial, manufacturing, enclave, and transportation sectors for the emergence of new labor movements, whose increasing capacity for collective organization and intense social protest was a principal stimulus for the reform periods and the incorporation projects that began to emerge in country after country.

This is not to say that an event such as the depression was not extremely important. Indeed, our analysis revealed that it did have a significant impact. The crisis of the depression contributed to the fall of Ibáñez in Chile and cut short his state incorporation project, with the result that the opportunity to implement his policies was far more limited than that enjoyed by Vargas in Brazil. The crisis of the depression contributed to discrediting the Conservative government in Colombia and facilitated the Liberals' rise to power in 1930, which launched the incorporation period. In Uruguay, the shock of the depression helped stimulate the polarization that led to the coup of 1933. In Peru and Argentina, the economic crisis contributed to the fall of the Leguía and Yrigoyen governments in 1930—both of which had earlier made an unsuccessful attempt to launch an incorporation project. Thus, the depression did have an impact. Yet it appears to have been a marginal factor rather than a central factor in explaining the key outcome in this analysis: why different countries were set onto distinct trajectories of change during the incorporation periods.

These observations about the depression may be applied more generally to the impact of a series of other external events, political as well as economic,

[15] With reference to the early employment effects of this manufacturing growth, see Table 3.3.

that successively influenced these cases. In the Overview, we referred to these events, such as World War I, the Russian Revolution, the depression, World War II, the onset of the cold war, economic internationalization, and the Cuban Revolution, as a kind of transnational historical grid through which these countries passed and which was the source of a sequence of cross-sectional influences that cut across the longitudinal trajectory within each case encompassing the incorporation, aftermath, and heritage periods. As with the depression, these other influences also had an important impact, at times reinforcing the patterns associated with internal dynamics of change and at times producing variations but not, within the decades considered here, superseding these internal patterns.

We have just argued, however, that the transnational development that did have a fundamental, founding influence was the enormous expansion of world trade beginning in the second half of the 19th century, which triggered the export growth that in turn set in motion the processes of change that have been the focus of this book. In addition to this highly visible impact of economic change, the other area in which we found a clear relationship between socioeconomic and political change was in the emergence of the labor movements analyzed in Chapter 3. We observed a close connection between the political outcome—the scope of worker organization and protest—and social and economic change, which had created the economic and demographic base for labor movements. However, as noted earlier in the present chapter, the scope of organization and protest did not, in turn, seem to have a systematic impact on the type of incorporation period that emerged in each country. Once again, to explain the different types of incorporation it appears more fruitful to go back to the broader transformations in social and political structure that derived from the period of export-led growth—as well as to political institutions with roots further back in the 19th century.

Thus, the impact of socioeconomic change on politics is sometimes unambiguous, direct, and relatively unmediated; sometimes unambiguous, yet indirect and mediated through other variables; and sometimes ambiguous and at most indirect. The task is to distinguish which of these alternatives pertains for the particular political outcomes one wishes to explain.

The pattern of links between socioeconomic change and politics that best summarizes our analysis is one in which a major economic and social transformation (such as this earlier period of export-led growth) sets into motion processes of political change (such as the incorporation period and its legacy) which later achieve a certain margin of autonomy in relation to the socioeconomic context. Thus, though the emergence of distinct types of incorporation reflected prior socioeconomic and political differences among countries, the subsequent dynamics derived to a significant extent from the political logic of incorporation itself.

Figure 8.4, adapted from Figure 1.1 in the first chapter, diagrammatically highlights the socioeconomic context of the critical juncture of the incorporation period, which in turn produced the partially autonomous legacy that has been the focus of this book. Against this base line, we may now return

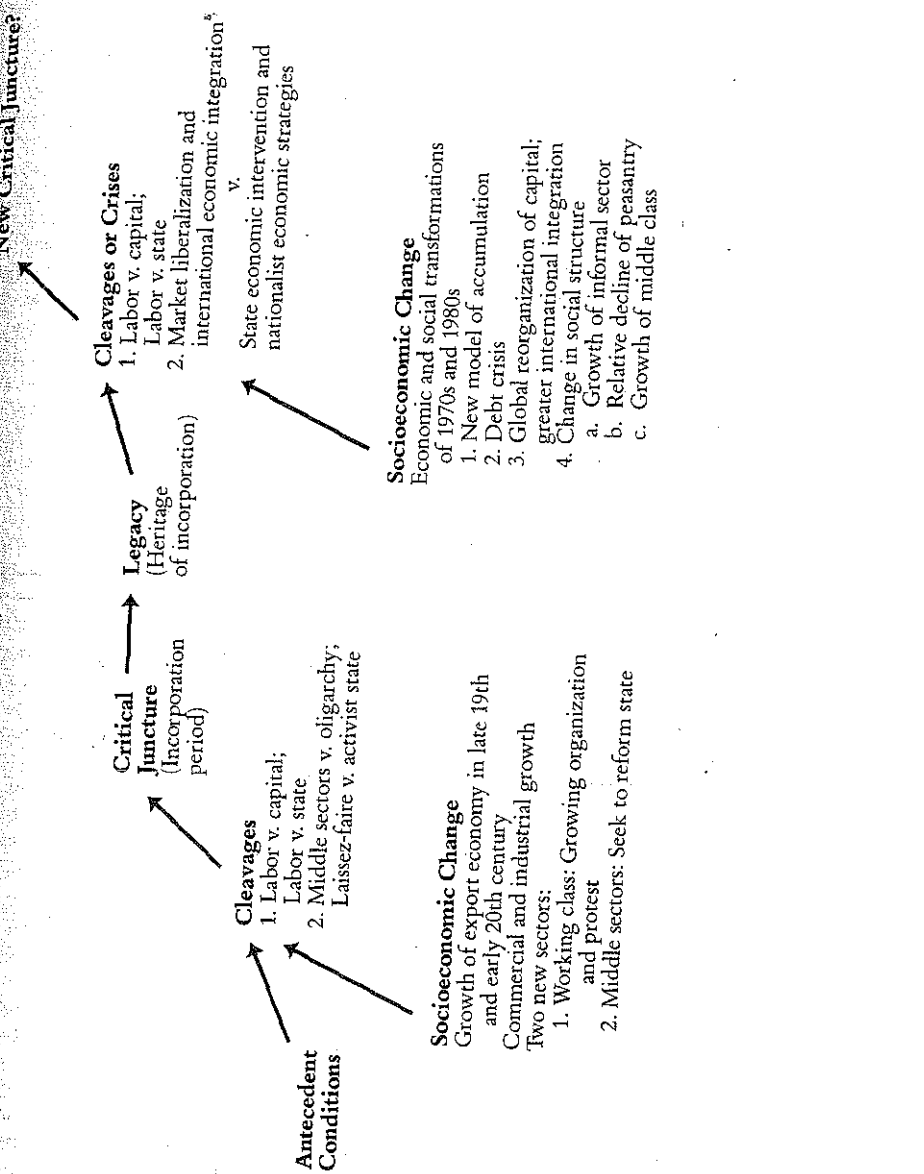


Figure 8.4 The Socioeconomic Context of Critical Junctures

to the question of the erosion of the legacy and ask whether or not, in the context of changes such as the internationalization of production, the debt crisis, and economic liberalization, the period of the late 1980s was possibly producing a new critical juncture.

A New Critical Juncture?

In discussing the possibility that the heritage of incorporation may erode, we noted elements of political continuity and change. However, a broader question must be posed. The critical juncture of the incorporation periods emerged under specific historical conditions of economic and social change, and these conditions made certain political coalitions possible. As of the 1980s, when many of these conditions seemed to be changing, one might ask whether these changes would trigger a new critical juncture, based on the founding of quite different coalitional patterns and regime dynamics.

Evidence of economic transformations that might constitute the basis for a new critical juncture was not hard to find. It could be observed in many areas, both international and domestic. Indeed, the international factors by themselves seemed important enough to suggest the possibility of fundamental change. At the most general level, the period of the 1970s and 1980s was one of a major reorganization of capital on a global scale. Several elements were involved, and these suggested the emergence of a post-postwar order. Central among these were the decline of U.S. hegemony and the final reconstruction of Japan and Europe as economic competitors; the growing importance of world trade and the closer integration of national economies with the global economy; the rise of the NICs as low-cost producers and suppliers of industrial goods; and the adoption of new kinds of global production and marketing strategies by multinational corporations. Accompanying the new internationalization of production and economic interdependence was a strong downward pressure on wages throughout the world and a retreat from Keynesian economics and class compromise between capital and labor. Keynesianism was replaced by a new hegemony of economic orthodoxy, liberalism, and free market ideologies, the effects of which were seen in countries as diverse as the laissez-faire United States, the welfare state of Great Britain, and, most dramatically, the command economies of the communist world, as well as Latin America.

In addition to these global trends, other, often related factors specifically affected Latin American countries. Most obvious was the staggering debt burden that erupted into a full-fledged crisis in 1982. Subsequently, policies to confront the debt crisis, influenced by IMF conditionality, produced low or at times even negative economic growth, net capital outflows, unemployment, and plummeting real wages. Equally familiar were changing patterns of industrialization and the introduction of new models of accumulation, specifically the shift from inward-oriented growth to new industrial production for export. In addition, within Latin American countries over the several

decades since the incorporation period, social structure had been transformed. The most obvious changes were the growth of the middle class, the strengthening of the private sector, and rapid urbanization, involving a declining peasantry and a growing urban informal sector.

Indeed, some of these same socioeconomic factors were advanced as principal explanations of the coups of the 1960s and 1970s and of the more subtle regime changes in countries that did not have coups. Specifically, O'Donnell (1973, 1979, 1982) sought an explanation for those coups and the new forms of bureaucratic-authoritarian regimes they instituted in factors such as the internationalization of the Latin American economies, changing patterns of industrialization, and the impact of a newly emerging technocratic class. Likewise, it has been suggested (McCoy 1985) that in Venezuela, a country with no coup, a similar change in the model of accumulation led to more subtle changes in state-labor relations. The 1989 riots in reaction to the debt-induced austerity package were illustrative of the potential acceleration of social protest. With reference to Mexico, even before the dramatic results of the 1988 election, many of the changes listed above were evoked in explaining the PRI's declining hegemony and the possible unraveling of the one-party system. In Peru, APRA's efforts at support mobilization under Alan García, that focused more on the informal sector and unorganized workers than on the organized labor movement, suggested that the stagnation of the formal sector and the dynamism of the informal sector could produce important changes in politics.[16]

By the end of the 1980s, it was not possible to establish unambiguously either the erosion of the prior legacy or the presence of a new critical juncture. Nevertheless, some initial observations can be made.

First, many of the changes noted above seemed to undermine populist coalitions and put pressure on labor and wages—especially the relatively protected wages of unionized workers—in a way that could contribute to the erosion of past patterns. Furthermore, in the conjuncture of the late 1980s, change seemed so widespread and thorough-going on a global scale and so multifaceted within Latin America that it appeared likely that a new critical juncture might be imminent. Nevertheless, as mentioned, the causal impact even of convulsive changes such as the world depression of the 1930s may have been less important than is sometimes supposed for the *specific kinds* of political alignments or regime outcomes considered here. Thus, caution was necessary in proclaiming the emergence of a new critical juncture that would produce a major regime reorientation.

Second, even if a new critical juncture was emerging, the timing of the political reorientation would not necessarily be concurrent in all countries. The incorporation periods earlier in this century were strung out over nearly

[16] As indicated in Chapter 6, in the 1940s and 1950s President Odría of Peru also made a major appeal to an important part of the informal sector—the squatter settlements. However, because he was at the time repressing APRA and the APRA-dominated labor movement, he was in a less good position to cultivate organized labor. In the 1980s, by contrast, APRA might reasonably have tried to regain control of organized labor.

five decades, and the timing of a new critical juncture might similarly vary, although increasing economic integration and the growing impact of international factors as well as the acceleration of technological change might condense the timing.

Third, even if a similar crisis or cleavage produced the critical juncture in each country, a similar political outcome could not be assumed. The argument about the earlier periods of initial incorporation is that different countries confronted the given cleavages in a variety of ways, in part depending on antecedent conditions. The new conditions represented by a new critical juncture in the 1980s and beyond could well produce a common set of constraints or parameters limiting the political structures that appeared, but different countries would confront the situation differently.

Finally, it follows that if a new critical juncture was emerging, the political structures and dynamics described in the course of this book would doubtless continue to be important antecedent causal factors, conditioning the distinctive response of each country.

Appendix

Heads of State since 1900

Argentina

1898–1904	Julio Argentino Roca
1904–1906	Manuel Quintana
1906–1910	José Figueroa Alcorta
1910–1913	Roque Sáenz Peña
1913–1916	Victorino de la Plaza
1916–1922	Hipólito Yrigoyen
1922–1928	Marcelo Torcuato de Alvear
1928–1930	Hipólito Yrigoyen
1930–1932	José Félix Uriburu
1932–1938	Agustín P. Justo
1938–1940	Roberto M. Ortiz
1940–1943	Ramón S. Castillo
1943	Arturo Rawson
1943–1944	Pedro P. Ramírez
1944–1946	Edelmiro J. Farrell
1946–1955	Juan Domingo Perón
1955	Eduardo Lonardi
1955–1958	Pedro Eugenio Aramburu
1958–1962	Arturo Frondizi
1962–1963	José María Guido
1963–1966	Arturo Illia
1966–1970	Juan Carlos Onganía
1970–1971	Roberto Marcelo Levingston
1971–1973	Alejandro A. Lanusse
1973	Héctor Cámpora
1973	Raúl Lastiri
1973–1974	Juan Domingo Perón
1974–1976	María Estela (Isabel) Martínez de Perón
1976–1981	Jorge Rafael Videla
1981	Roberto Viola
1981–1982	Leopoldo Fortunato Galtieri
1982–1983	Reynaldo Benito Antonio Bignone
1983–1989	Raúl Ricardo Alfonsin
1989–	Carlos Saúl Menem

Brazil

1898–1902	Manuel Ferraz de Campos Sales
1902–1906	Francisco de Paula Rodrigues Alves
1906–1909	Afonso Augusto Moreira Pena
1909	Nilo Peçanha
1910–1914	Hermes da Fonseca
1914–1918	Venceslau Brás Pereira Gomes
1918–1919	Delfim Moreira da Costa Ribeiro