

# The Dynamics of Social Change in Latin America

Henry Veltmeyer and James Petras

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*The Dynamics of Social Change* by Henry Veltmeyer and James Petras is part of a wave of scholarly work critical of the social impact of globalization since the early 1980s. Organized into seven chapters, the book poses important questions about the supposed positive benefits of a greater exposure to foreign markets through increased trade and investment in the host countries of Latin America.

The authors analyze globalization both as a description of and a prescription for development. They emphasize that globalization is a natural extension of the previous modes of capitalist expansion in world economic history. It is the newest phase in which lesser developed areas are being incorporated into an embedded network of international capital and trade regimes, the policy framework of which is largely dictated by agencies, such as the World Bank and the International Monetary Fund. From the beginning, the book sets the stage on which the benefits and costs of globalization can be understood in a global context.

Generally, the authors argue that the economic benefits have been precarious, the position of labor has weakened, and the forces of opposition to this increased globalization have mushroomed in eclectic forms and shapes all across Latin America. The book examines the practical implementation of the globalization project, largely under the banner of "neoliberalism." The authors emphasize that the structural adjustment programs associated with neoliberalism have failed to elevate the status of the poor. The war on poverty has failed since the late 1980s and early

1990s, as the pace of neoliberalism has intensified. The authors criticize the various alternative strategies of development, mainly on the premise that they either skirt the dangers of globalization or they try to put a human face on the generally disruptive intent of neoliberalism.

The authors further argue that although there has been more popular participation in the development process at the local level across Latin America, most of it has not really empowered the local communities. Empowerment in decision making is the key in sustaining development at the local and regional levels. Although much decentralization of the government has been implemented, it has failed to shift real power to the groups and organizations at the grassroots.

The authors argue that new social movements have emerged in Latin America, where the dynamics of class and cultural identity are intertwined. As a result of the military withdrawal from politics, the widespread implementation of the stabilization measures, debt crisis, and the financial liberalization implemented over the past two decades, new social movements have surfaced. According to Veltmeyer and Petras, uniquely postmodern salient features characterize these new social movements. First, a greater mobilization of many previously marginalized groups, such as peasants and women, has occurred. Second, these new social actors tend to replace the traditional instruments of class struggle, such as political parties and organized labor in the Marxist sense. Each new social movement is characterized by a distinct identity quite unlike any other, and the forms of resistance of these groups symbolize the diversity and the localized experiences of their members. Since some of these new social movements do not resemble large-scale class-based struggles spearheaded by vertically-located organizations, the authors argue that the focus is more eclectic and it is on mundane survival-related goals in specific neighborhoods.

But there is still hope for class-based movements. As examples, the authors reflect on the Movement of Landless Workers (MST) in Brazil, the Miner's movement in Bolivia, and the National Federation of Peasants activities in Paraguay, among others, as movements that have raised the consciousness of the public with regard to the relevant issues. But then these movements are not narrow in the traditional, class-based sense; they are much more cosmopolitan, we are told, as they do have a broader perspective on society. First, many of these movement participants are from

other areas of society, and many are also tied to both the urban and rural areas. Second, these new peasant movements are autonomous from political parties. The strategies of disruption are not dictated by any outside political party. Finally, these class-based movements as well as those that are not class-based are all engaged in a direct struggle with the elements in power but outside of the electoral process. The authors argue that surely the class-based social movements are more class-conscious than their counterparts in the earlier stages in Latin American history. The future remains uncertain as the left reevaluates its position and strategies, and is likely to remain so as long as it fails to establish an organic connection to the continuing struggle for social change.

The authors keep looking for an alternative socialist project. Although they do acknowledge that considerable variations exist, these alternative projects are of little use as they are rife with limitations and contradictions. First, the ECLAC-inspired neostructuralist model has faults even though it seeks to expand the human and social dimensions. It is of no use because it decidedly ignores small and peasant units but favors medium and large enterprises that have a greater capacity to adjust to the changing economic times. Second, according to the authors the NGO-based development at the grassroots has also failed, as it accepts the institutionality of the existing system and works within its parameters. And third, the new social movements are also of limited use, as they do not have a clearly designed, ideologically-inspired project to capture state power at the national level. The authors ponder the options for the left. They conclude that while the left engages in debate over its future strategies, the discussion toward alternative development models must continue. Somehow they visualize that the scattered movements of some peasant groups in a handful of Latin American countries have the brightest future. All these groups need is to repeat similar activities at the national level all over, and assuming that a greater consciousness of the issues affecting them emerges, it would facilitate a new alternative to the current neoliberal model of development fueled by globalization.

In many ways this book is old wine in a new bottle. It ignores the studies in economics that have found clear evidence that poverty has declined in general in the region. In fact, it has declined more in countries that have accommodated democratic freedoms to a great extent. At the same time, there is no doubt that the level of poverty has increased in par-

tially democratic countries, such as Mexico, Colombia, Venezuela, Peru, and Paraguay. My own cross-national, quantitative research also confirms these trends. There is obviously an interaction between the economic forces represented by increased exports through globalization and the level of democratic freedoms instituted in a country during the last decade or so. The solution does not lie therefore in alternative peasant-led movements aiming to topple the system, but in deepening the processes of democratization. Deepening democratization can act as a countervailing force against the economic and political domination of a few groups or classes.

Also, the processes of globalization have not really contributed to a considerably weak state in Latin America, unlike what the authors have proposed. In fact, if the revenue-generation capacity and state subsidies and transfers as a percentage of total central government expenditures are considered as indicators of state strength, the capacity of the Latin American states has not declined; it has either remained stable or increased. Lastly, the book's argument that most things about globalization are really bad for Latin America is indeed based on data that reflect on the distance between the rich and the poor, which invariably presents a rather static picture of the region. Consider, for example, in a two-person society, the richer one investing 100 dollars and accumulating money at 10% a year and the poorer one investing 10 dollars but growing at 4% a year. Can we say that no change has taken place? The distance has become greater because of the higher rate of accumulation by the richer person, but the poorer person is also better off if we compare the present status with the status of a few years ago. That is the problem with scholars still holding on to the "distance between the rich and the poor" as the main indicator of social health: it obviously is a very limited indicator.

The book clearly misses the democratizing impact of the proliferation of hundreds of groups in civil society that have mushroomed since the 1980s all across Latin America. Religious forces are nourishing some of these groups, but NGOs and other political and cultural interests also inspire many. Fifteen to 20 years are too short a time to predict doomsday for Latin America. Working toward sustaining an open political process and helping to establish links with the various interest and occupational groups is the key. But if one is always scratching the surface for "class-based political movements led by peasants and/or workers to topple the

system,” as the authors implicitly seek, one is bound to be disappointed. *The Dynamics of Social Change in Latin America* offers only a partial reflection on the economic, political, and social dynamism in Latin America today.