Understanding Latin America's Populist Scourge

Problems of Popular Sector Class Formation and Collective Action

by

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Perhaps the most salient characteristic shared by virtually all Latin American countries since their independence has been endemic political instability and the fragility of democratic regimes. Not surprisingly, a number of theoretical explanations for this regional problem of instability have been developed over the decades. These explanations range from cultural arguments based the region's common colonial heritage (Wiarda, 1982 and 1990) and the politicized nature of the state (Chalmers, 1977), to a variety of structural arguments derived Latin America's subordinate position in the international economic system (Cardoso and Faletto, 1979; O'Donnell, 1973; Collier, 1979; Garretón, 1989; Rueschemeyer, Stephens and Stephens, 1992). Implicit in all of these explanations is that Latin American civil societies are weak and underdeveloped (Oxhorn, 1995a and b). Social reform and the political incorporation of the lower classes in Latin America generally have not been the result of grassroots pressures, but more often the consequence of authoritarian efforts at cooptation and regime institutionalization (Garretón, 1989). When such incorporation threatens to go too far and/or the development model itself is perceived as entering into a crisis, the weak dominant classes are dependent on the state to forcibly exclude the lower classes and lay the foundations for a new model of capitalist development.

This reality has tended to give Latin American politics a notoriously elitist character that has been reflected in the focus of the great majority of the scholarly works on the subject. Although

there are a number of notable exceptions, our understanding of Latin America has been limited to research that focuses on middle- and upper-class minorities through investigations of elite institutions at the levels of the state and political regime. Dependency theory, for example, has tended to focus more on the distorting effects that dependent development has had on the formation of dominant classes, frequently assuming (rather naively) that a proletarian or peasant revolution would in itself solve most development problems in the region. Even the Colliers' (1991) pathbreaking study of labor movement incorporation in Latin America focuses more on the level of political elites than actual processes of organizing workers.

Paradoxically, "excessive" demands from the lower classes (Huntington, 1968) and/or the fear (real or imagined) of lower-class mobilization have been cited by both supporters and analysts of Latin American authoritarian regimes as the principal cause of political instability in recent decades, yet we really know quite little about their actual demands and autonomous organizational activities. It is only relatively recently that researchers have turned their attention to mass-based social protest and collective action in Latin America.[1] Beginning in the 1970s, researchers began to look at a variety of community-based organizations that were frequently characterized as "new social movements," Although there seems to be no consistent or rigorous set of criteria that unambiguously defines what makes these organizations part of a "social movement," let alone a "new" one, the organizations typically run a wide gamut, ranging from handicraft workshops and soup kitchens, to cultural, youth and womens' groups, to organizations that are dedicated to the defence of human rights and struggling for transitions to democracy from authoritarian regimes. Not surprisingly, due to the very heterogeneity of these organizations and the lack of a single theoretical framework for studying them, much of this literature tends to obscure or simply ignore the relevance

of class identities and class interests to the success or failure of such organizations in achieving social change (Davis, 1989). Instead, the multi-class, and therefore effectively non-class, nature of such phenomena is stressed, or reference is made to new but still ill-defined collective identities that emerge through the process of participating itself (Evers, 1985).

This article is an attempt to offer a "bottom-up" explanation of political instability in Latin America by examining patterns of class formation in the region. It argues that the heterogeneous class structure characterizing the popular sectors creates collective action problems that historically have resulted in popular sector apathy, mobilization by populist elites and/or civil war. The possibility of an alternative basis for popular sector mobilization that is more favorable to democratic consolidation is explored on the basis of a neo-Marxist interpretation of class formation which incorporate variables dealing with the state and the nature of civil society that are not directly related to the relationship of individuals or groups to the means of production. Some of the implications of this are briefly discussed in a concluding section.

Latin America's Heterogeneous Class Structure: Extremes of Inequality and Asymmetry

Any analysis of Latin American class formation must take as its starting point the region's extreme levels of inequality and resultant heterogeneous class structure. As is now well known, Latin American countries as a whole are among the most unequal in terms of the distribution of resources in the world. This has contributed to a heterogeneous class structure that divides and fragments the majority of Latin Americans, who belong to a myriad of subaltern groups and classes. These divisions have served to dampen social pressures for change by undermining autonomous

mass-based collective action throughout much of Latin America's history. Yet any social peace achieved in this way is necessarily precarious, given the potentially high political stakes in such societies: The preservation of relative privilege for a small minority, or greater social justice and equity for the vast majority at that very same minority's expense.[2] The achievement of stable democratic regimes as a result of societal stalemate (Rustow, 1970; Karl, 1990 and 1992) or working class pressures (Rueschemeyer, Stephens and Stephens, 1992) becomes quite problematic, at best. Instead, democratic forces are often coopted and/or repressed. In a few cases, most notably Cuba, Nicaragua and El Salvador, extreme societal polarization contributed to civil war.

While the problem of inequality and social heterogeneity has been an historical one that preceded rapid industrialization in the twentieth century (de la Torre, 1992: 395; Oxhorn and Ducatenzeiler, forthcoming), it is useful to first focus on the 1970s as the culmination of a prolonged period of social transformation. Virtually all Latin American countries underwent a process of social modernization between 1960 and 1980, as national societies became less agrarian and more urban and industrial. Although different countries modernized at different rates and with different levels of success, almost every country experienced important social transformations based on the expansion of market relations, substantial rural migration to cities and real or expected upward social mobility for large portions of the population (CEPAL, 1989). At the core of this process of social modernization was a twenty-year period of strong and relatively sustained economic growth of five to 6 percent annually, which resulted in a doubling of per capita GDP in the region. Despite the disequilibriums and inequalities associated with it, "this growth represented a true process of development" which affected the majority of people in practically every country of the region (CEPAL, 1990: 22). National capitalist economies, while still characterized by a situation of

dependency, were constituted and consolidated as the region became increasingly integrated into the international capitalist system. The result was a "great occupational, geographic, educational and social mobility, frequently ignored or undervalued in analyses of the Latin American social reality" (CEPAL, 1989: 22-23).

Throughout Latin America, there was a transfer of people from low productivity activities, especially in agriculture, to areas of greater productivity in manufacturing and the service sector in particular. In 1950, more than 50% of the economically active population (EAP) in three-quarters of the 20 countries included in the CEPAL study was engaged in agricultural activities, primarily in subsistence farming or traditional agriculture on low-productivity *latifundia*. This still was true for the majority of Latin American countries in 1960. By 1980, however, only three countries had populations that were primarily engaged in agricultural activities--El Salvador, Guatemala and Haiti. In a number of countries, the EAP in agriculture had fallen by approximately 30 percent (CEPAL, 1989: 51-54).

Increased investment in capital and improved skills in the work force allowed for the absorption of a growing proportion of the EAP in activities that were not only characterized by higher levels of productivity, but also higher incomes and social status. Calculations of the general level of "structural mobility" by CEPAL for 10 countries at various levels of social modernization show that an average of 26 percent of the EAP in these countries experienced upward mobility in terms of their social status and incomes between 1960 and 1980.[3]

It is important to emphasize that this process of social modernization was fundamentally different from processes of proletarianization associated with the industrial revolution in Western Europe and North America. First, industrialization in Latin America has not resulted in a

concomitant reduction in the relative size of the informal sector, a point which will be elaborated upon below. A second difference is the speed at which these social transformations took place. In many countries, particularly Brazil, Colombia, the Dominican Republic, Ecuador, Mexico, Paraguay, and Peru, the rate of social change was much faster than was the case for roughly comparable transformations in the now industrialized countries.

More importantly, the relative size of the industrial proletariat in Latin American countries never has and never will approach that reached in the first countries to industrialize.[4] Industrialization in the "late-late industrializers" (cf. Kurth, 1979) has been conditioned by the capital-intensive nature of modern technology, which has reduced the relative capacity of manufacturing industries to absorb labor, and a parallel expansion of the service sector in the world economy. The latter contributed to the tendency for growth in employment in the service sector to outpace that in industry. Manual and low-paid non-manual workers in the service sector typically represent a third or more of the EAP in all but the least modernized countries of the region (CEPAL, 1989: 49-50).

The limited capacity for labor absorption in industry is particularly significant. The size of the urban workforce tended to rise markedly faster in Latin America than in Western Europe during the industrial revolution because of the coincidence of rapid population growth rates, high levels of rural migration and increasing female participation in the workforce. This created significant downward pressure on urban wage rates, forcing a growing "marginal mass" to try to survive "by inventing employment around the fringes of the urban economy" (Portes, 1989: 8; CEPAL, 1989). These tendencies were only exacerbated by the lopsided patterns of urban migration and population growth that led to the phenomenon of "primacy," in which the largest city in many Latin American

countries has a population that outnumbered the populations of the next three largest cities combined (Portes, 1989).

All of this has had important consequences for Latin American urbanization. Latin American cities came to be characterized by increasing spatial polarization between lower and upper income groups according to the quality of housing and basic urban services (Portes, 1989; Castells, 1983). Shantytowns spread as workers in both the formal and informal sectors of the economy were forced to create their own solutions to the lack of affordable housing. Growing demands for adequate housing and urban services, in turn, gave rise to new forms of urban mobilization involving members of the lower classes.

High levels of income concentration, capital flight and investment in speculative rather than productive activities further constrained the growth of productive employment so that upward social mobility was barely sufficient to allow for a gradual decrease in the relative level of poverty in the region, which declined from 50 percent of the population in 1960 to 35 percent in 1980. Despite this decline, the number of people living in poverty actually increased by 16 percent in the 1970s alone (CEPAL, 1989: 55).

This pattern of development is reflected in a heterogeneous class structure that has historically limited the possibilities for effective collective action on the part of Latin America's subaltern classes. In the most comprehensive study of Latin American class structures, Portes (1985) defined classes in terms of three criteria: control over the means of production, control over the labor power of others and mode of renumeration.[5] On this basis, he identified five distinct social classes in Latin America: the dominant class, the bureaucratic-technical class,[6] the formal proletariat, the informal petty bourgeoisie and the informal proletariat.

What is most striking about Portes' findings is the extreme asymmetry of Latin America's class structure. The dominant and bureaucratic-technical classes together accounted for less than 10 percent of the economically active population (EAP) for all of Latin America in the 1970s. In no country did they exceed 15 percent, and only Venezuela and Panama came close to even that low percentage. Moreover, according to Portes' data on income distribution, these same two classes on average received more than 45 percent of national income.

Portes found a similar pattern among the three subordinate social classes. While the size of the formal proletariat (which Portes classifies as those workers who receive wages on a contractual basis and an indirect wage through social welfare programs prescribed by law) varied more widely, it represented more than half of the EAP only in Argentina, Uruguay and Chile. The weighted regional average in 1972 was just 22.4 percent, and in most countries it hovered at around 12 percent.

This, of course, means that the informal sector of the economy was quite large in most of Latin America at the beginning of the 1980s. The informal petty bourgeoisie accounted for approximately 10 percent of the regional EAP. As a social class, it links the informal proletariat to the modern sector of the economy by subcontracting out for firms in the formal sector to lower their costs and supplying low-cost wage goods for consumption by the formal proletariat. Finally, the informal proletariat receives neither regular money wages nor the indirect wage of social security coverage due to the noncontractual basis of its relations with employers. In all countries except Uruguay, the informal proletariat represented at least 20 percent of the EAP in 1980. For the region as a whole it represented roughly 60 percent of the EAP, or 80 percent of all workers.

These findings raise serious doubts as to the capacity of the proletariat, as a class, to act as the principal agent for social change and the integration of all subordinate classes in Latin America. As a study by the United Nation's Comisión Economica para America Latina y el Caribe (CEPAL) concluded:

> The proletariat, in the strict sense of salaried manual workers in manufacturing industry, does not and never will constitute a great popular mass that propels history in Latin America, less because of a weak industrialization process (which has not been inappreciable in many countries of the region) than because industry is characterized by little intensive use of labor and the worldwide expansion of the service economy in the current period (CEPAL, 1989: 45-46).

One important consequence of this has been that the working class in Latin America has not been able play the same central role in consolidating democratic regimes as workers in the industrialized countries of Western Europe and North America played there. This has been an important source of democratic instability throughout the region (Rueschemeyer, Stephens and Stephens, 1992). While labor movements have been key actors in Latin America, this was more often due to their symbolic significance rather than their structural strength (Garretón, 1996: 43).

Organized labor has further accentuated, even institutionalized, new forms of inequality. It would be incorrect to assume that the organized working class can effectively represent the interests of unorganized segments of the lower classes in Latin America. Using Portes' statistics on the formal proletariat as an estimate of the *upper limit* of organized labor's relative size, it is apparent that most workers are excluded. Yet organization is a form of power that gives organized labor important advantages over the unorganized. For example, the extension of such benefits as

workman's compensation, pensions, health care and unemployment insurance is closely related the ability of organized groups to pressure the state. The unorganized are generally the last to be included and the most inadequately covered (Mesa-Lago, 1978 and 1989). This is also confirmed by Portes' data on income distribution, which show that the poorest 60 percent of Latin Americans on average received only 16.7 percent of national income in 1975. The social democratic class compromise (cf. Przeworski, 1985) is virtually impossible in this context. Where organized labor has served as a successful interlocutor with the state and business interests, the result has been greater inequality to the extent that organized workers become an even more privileged group within Latin America's lower classes. Indeed, the informal sector itself is in many ways the consequence of successful struggles by organized labor for improved working conditions (Portes, 1994).

The Chilean experience is typical. Through the strength of its organizations and its privileged relationship with the political Left, the formal proletariat came to dominate the politics of the lower classes in Chile. Yet, the dominant position of organized labor tended to serve the interests of only a relatively small segment of these classes. At its peak in 1972, total union membership accounted for only 22.24 percent of the work force (Baraona, 1974). The strength of their organizations allowed unionized workers to gain clear advantages over workers in smaller firms and the unorganized. This "privileged group within the popular classes" (Faletto and Ruiz, 1970: 234) was able to negotiate higher wages and maintain a generally higher standard of living than the other segments of the popular sectors. Moreover, the formal proletariat was able to maintain its relative position both during inflationary periods--to which its own negotiated wage increases contributed--and subsequent downturns induced by restrictive monetary and fiscal policies designed to curb inflationary spirals (Pinto, 1970; Faletto and Ruiz, 1970; Bitar, 1986).

From this perspective, it is clear how traditional workers' organizations often accentuate the fundamentally conflicting interests associated with the popular sectors' heterogeneity. Viewed exclusively in terms of their relationship to the means of production, unionized workers, unorganized workers in the formal sector, workers in the informal sector, the unemployed seeking work and the lumpen proletariat often have different objective interests. This is illustrated most clearly by the potential for conflicting interests between those enjoying relatively stable employment in the formal sector who are concerned with maintaining their job security and the unemployed in a desperate search for work. At the same time, the lower classes as a whole also benefit from the reduced cost of living that results from access to lower cost goods and services produced in the informal sector.

The debt crisis of the 1980s has tended to exacerbate problems of lower class heterogeneity and collective action. Per capita GDP for the region as a whole was 8.1 percent lower in 1989 than it had been in 1980 (Iglesias, 1990: 347), while some estimate that the decline is closer to 10 percent (Williamson, 1990: 353). The number of households living below the poverty line increased from 35 percent in 1980 to 39 percent in 1990 (CEPAL, 1996:35). In absolute terms, this meant that there were 71 million more people living in poverty at the end of the 1980s compared to 1970, for a total of 183 million people, of whom 88 million lived in absolute poverty--28 million more than in 1970 (CEPAL, 1990). As a result of Latin America's rapid urbanization, much of the increase in poverty has taken place in urban areas (CEPAL, 1990; CEPAL, 1996). In fact, by the end of the 1980s, poverty had become a predominantly urban phenomenon, with 57 percent of all poor people living in urban areas compared to just 37 percent in 1970.[7]

By the mid-1990s, much of the region had begun to recuperate from the depths of the "lost decade" of the 1980s. Yet, the structural sources of inequality and social heterogeneity have been

maintained, or even exacerbated, by the economic transformations Latin America has experienced over the past 15 years. Of the ten largest economies in the region, only four had per capita incomes in 1994 that were greater than they had been in 1980.[8] Moreover, all countries in the region experienced a significant regressive redistribution of income during the 1980s, and only Colombia and Uruguay experienced any improvement in income distribution compared to its level in 1980 by 1994 (CEPAL, 1996: Altimir, 1995 and 1994).[9] The rest all had higher levels of inequality than before the economic crisis, suggesting that current market-oriented reforms further reinforced, if not actually accentuated, what are historically high levels of income inequality even for Latin America.

In part, this reflects the increasingly precarious nature of employment in Latin America--even in countries with very low levels of unemployment, such as Chile (CEPAL, 1996; Portes, 1994; OIT, 1993; Díaz, 1991). Employment creation has favored low productivity jobs. Worker productivity--the key to higher wages within the current development model--is improving very slowly, with significant declines in employment (more than 3 percent a year) registered in those industrial sectors experiencing rapid increases in productivity (Altimir, 1995:23). During the period 1980-1994, underemployment among workers increased at an average rate of 5 percent, compared to an average growth rate of just 2.5 for employment in the formal sector (CEPAL, 1996:35). Changes in labor codes throughout the region have generally made it easier for firms to hire temporary workers and fire current employees. This provides for greater labor market flexibility and the maintenance of international competitiveness on the basis of low wages. Increasingly, governments' "informalize themselves vis-à-vis their own laws in their quest for even more foreign investment" by creating special production zones that exempt foreign firms from labor legislation and taxation policies applicable in the rest of the nation (Portes, 1994: 168). Where existing rights are not taken away

outright, their systematic violation is often ignored by the state. All of this contributes to a growing informalization of the economy, if not a blurring of the very distinction between formality and informality. As a result of these various changes in the labor market, historic problems of heterogeneity have grown and there are increasing signs of "greater polarization between those segments of the work force that benefit from the technological progress of the most dynamic sectors [of the economy] and those that subsist on low productivity jobs . . ." (CEPAL, 1996: 45).

These changes in the labor market have further exposed the narrowly self-interested nature of organized labor as an actor in Latin America, at the same time that they have reduced organized labor's ability to represent the interests of non-members and pursue public goods. Organized labor in many respects has become an interest group, in the process losing even the pretension of being a social movement as it competes with other interests groups in the pursuit of the particularistic interests of its members. Weakened by rising levels of unemployment and deteriorating real wages, it becomes increasingly difficult for labor movements to champion initiatives that go beyond basic demands for job security for their declining membership. As in the past, labor organization allowed their members to minimize (but by no means eliminate) their losses during the 1980s so that declines in real wages were significantly less for unionized as compared to non-unionized workers (OIT, 1993: 29). Labor union elites, in exchange for their acquiescence to legislative changes curtailing organized labor's effective power, have often bargained for concessions intended to preserve their own individual status and institutional position through control over worker pension funds, government posts, and so on (Zapata, forthcoming; Murillo, 1993 and 1994; Buchanan, 1994). This has contributed to a growing distance between labor rank-and-file and labor union elites. Not surprisingly, this has also helped increase the growing fragmentation of labor movements found in

almost every country, further reducing organized labor's collective strength (OIT, 1993: 54). A kind of vicious circle appears to be emerging as weakened labor movements (or at least their leaders) attempt to ensure their continued survival in a context characterized by diminished institutional strength and a reduced membership base.[10] In sum, historical problems of societal inequality and heterogeneity have made it difficult to create encompassing collective identities that could serve as a basis for autonomous mass-based collective action.[11] While the labor movement in most of Latin America is still an important political actor, alternative bases for organization and collective action need to be found in order to ensure that all of Latin America's subordinate classes can define their own interests and defend them within democratic political systems. Such alternative bases of organization must be able to overcome the divisiveness inherently associated with traditional labor organization in heterogeneous societies so that Latin America's subordinate classes can become a pillar of democratic stability and consolidation. Portes provides a hint of what one possible alternative might be at the end of his article, when he discusses what he calls "urban political movements" (Portes, 1985: 31-33). To delve further requires going beyond typologies of Latin American class structures and looking at processes of class *formation*. I will return to these issues later. But before doing so, it is important to discuss what has been the predominant political form of mass-based political mobilization in Latin America: populism.

The Political Consequences of Extreme social Heterogeneity: Recurrent Populism

The inequality and consequent heterogeneity of Latin American social structures has provided a fertile plain for the emergence of populism in Latin America since the 1930s. Initially closely associated with the state-centric import-substituting industrialization economic development (ISI), populism appeared to be an anachronistic relic of the past when ISI entered into crisis and was gradually eclipsed by a new, neo-liberal development model based on exports and the market during the 1970s and 1980s. Populism, however, proved to be much more resilient than ISI. In fact, so-called "neopopulism" has been an important factor facilitating the implementation of new, neoliberal development policies in countries as disparate as Argentina, Brazil, Mexico and Peru (Roberts, 1995; Weyland, 1996; Castro Rea et al, 1992). Populism's resiliency is intimately linked to the problems of social inequality and heterogeneity that have undermined autonomous collective action on the part of Latin America's lower classes. As a form of interest intermediation, populism allows relatively small, privileged groups to gain greater access to state power and resources by mobilizing mass followings among the lower classes on the basis of the latter's perceived socio-economic and/or political exclusion. In the absence of collective identities capable of unifying the lower classes, populism can provide an overarching identity capable of dealing with at least some of the lower classes' concerns. In the process, however, social hierarchy and heterogeneity are reinforced, if not accentuated. The potential for autonomous lower class collective action is further limited, as is the viability of competing alternatives to populist modes of interest intermediation.

The literature on Latin American populism is very large, with the meaning of the concept itself open to much debate.[12] Here, I will focus populism as a *mode of interest intermediation*,

highlighting four central characteristics that explain how populism both depends upon and reinforces social inequality and heterogeneity.[13]

First, populism represents an *asymmetrical multi-class coalition*. As Laclau (1979) emphasizes, the extreme heterogeneity of Latin America's class structure causes class antagonisms (labor vs. capital) to be subsumed within ideologically ambiguous multi-class populist movements representing "the people" in a social struggle against the dominant power bloc. While Laclau allows for the theoretical possibility of populist movements that are dominated by a hegemonic working class,[14] in practice populism's asymmetry reflects the dominance of the relatively privileged middle class groups leading the coalition. This is due to the lack of autonomous organizations representing lower class interests. As Torcuato Di Tella notes in his influential definition of populism:

> ...a political movement which enjoys the support of the mass of the urban working class and/or peasantry but which does not result from the autonomous organizational power of either of these two sectors (Di Tella, 1965: 47).

The lack of autonomous lower class organizational capacity leads to an unequal distribution of power (and benefits!) within the coalition. Ultimately, as will be discussed below, this results in the interests of the lower classes being subordinated to those of the more privileged groups in Latin America's social hierarchy.

Historically, middle class groups have used populist movements to increase their access to the political system, using the state to guarantee their consumption and mobility opportunities and thereby secure their status vis-à-vis the lower classes who helped bring them to power. In its current, "neopopulist" variant, the state has been dramatically reduced in size and no longer offers the same opportunities for middle class consumption and mobility as it did during the heyday of the

developmentalist state. Instead, state power is used to secure the political power of a smaller clique of people associated with the populist leader, at the same time that it is used to generate opportunities for middle-class advancement in the private sector through pro-growth, pro-market policies (Roberts, 1995; Weyland, 1996).

The lower classes have been offered a variety of enticements in exchange for their support. In addition to particularistic benefits through clientelism, populism historically has been associated with important collective rights and benefits, mainly for the formal proletariat. These have included union recognition and limited collective bargaining rights, extension of social security benefits, and improved wages and working conditions.[15] In its current reincarnation, populism still retains, in a somewhat modified form, the same clientelist material base for winning lower class allegiance--what Roberts (1995) has called "microlevel populism," Collective incentives are more ambiguous and are not directly linked to lower class support for the populist coalition per se. The alleviation of economic crisis, particularly hyper-inflation that disproportionately affects the lower classes, and continued economic growth appear to be the principal ones.

It is important to emphasize that populism's success as a mode of interest intermediation rests on its ability to appeal to lower class-needs, frustrations and even aspirations (de la Torre, 1992; Taguieff, 1995; Mouzelis, 1985). Much more is involved than the simple elite manipulation of lower-class masses who are "irrational" or in a situation of anomie (cf. Germani, 1978). The (albeit limited) social reforms of the 1930s and 1940s that were associated with populism's "first wave" were an essential aspect of its durability.[16] As Drake (1982: 192) notes, support for populist leaders can be seen as a very rational decision based on "...quite objective working-class calculations of their viable alternatives, regardless of cultural traditions." Even acceptance of the implicitly subordinate

position that clientelism necessarily entails for the weak and unorganized is rational when the poor's lack of alternatives and precarious socio-economic situations are taken into account (Gay, 1990). For this reason, the poor will always be at least tempted by populism.[17] The problem with populism is *how* subordinate classes are incorporated and the lack of alternatives--a point to which I will return below.

The second characteristic of populism is that it *mobilizes broad popular support*. This mobilizational aspect of populism distinguishes it from more explicitly authoritarian regimes and explains populism's affinity with electoral politics. Indeed, the success of populism often reflects the fact that electoral support is a form of power and political legitimation that populist leaders wielded more effectively than established elites.

The mobilizational nature of populism has several important implications. It underscores the importance of material incentives for populism's social base as a way of ensuring electoral allegiance. It also explains why populism is closely identified with what Laclau described as a struggle between "the people" and the "power bloc." Identifying an "enemy" *against* which the lower classes can be mobilized is a powerful mobilizational asset. It serves to unify otherwise disparate groups in a common cause. In populism's first wave, that enemy was the oligarchy and imperialism, particularly international capital, which were seen as blocking economic development. Today, the "enemy" is more typically existing political institutions and the political elite (including the old-style populists!), who are portrayed as corrupt and similarly blocking economic development through their rent-seeking behavior.[18] In both instances, populism represents a struggle between one group of elites (or emerging elites) demanding greater access to the political system and/or the removal of restrictions on their freedom to act by attacking the existing power holders--Laclau's

dominant bloc. The former seeks to do so by appealing to the lower classes as a more authentic representative of the national essence.

The mobilizational aspect of populism is a double-edged sword. As already noted, the political stakes are potentially quite high in such unequal societies. At the same time that populist leaders seek to mobilize the lower classes, they seek to retain control over them so as to avoid their radicalization.[19] This is accomplished through a variety of mechanisms. One is to further fragment the organizational expressions of the lower classes through the selective distribution of material benefits. Unlike other patterns of lower class mobilization, populism by definition favors certain segments over others in order to subvert effective challenges to elite (including the populist elite) interests. During populism's first wave, this was reflected in (re)distributive measures that favored already privileged groups (including organized labor) and excluded the poorest segments of society that often formed the majority (Cardoso and Helwege, 1991). In the current wave of neopopulism, society's poorest are favored by targeted social welfare policies (Roberts, 1995), but these policies with a micro-level focus fragment collective action at the national level that is independent of the populist government. Organizations compete with one another for access to resources, and those gaining access are often coopted (Cardoso, 1992; Eckstein, 1988). Related to this, a second mechanism of control is the deliberate subversion of autonomous organizational activity at any level. Cooptation and repression are central here, as is the third characteristic of populism: *a paternalistic and elitist leadership style*.

Populism is organized hierarchically, from the top down. In its classical version, a charismatic leader is able to mobilize followers by by-passing intermediate organizations completely, establishing a direct relationship between him and his followers. As latter-day populism proves,

charismatic leaders are not essential. More important is the feeling that the leader is speaking for the underprivileged whom he directly represents. Television can help to cement this plebiscitary aspect of populism by dramatically increasing the reach of the leader's message (Taguieff, 1995). Moreover, the clientelism associated with populism requires that adherents to the movement become passive recipients of paternalistic social policies formulated by the elite in exchange for their support. Ultimately, hierarchy within the populist movement and lower class dependence serve as a break on excessive demands from the mobilized masses, at the same time that any organizational autonomy from the populist elite is eliminated.

The final characteristic of populism is its *instrumental use of ideology*. The heterogeneity of the populist coalition is masked over by ambiguous and amorphous ideological appeals. The "common people" are portrayed as the essence of national identity.[20] While referring to populism's first wave, the following description of populist ideology could easily be applied to current neopopulist era: "A repudiation of those forces hindering popular representation, social mobility and rising standards of living for the masses" (Conniff, 1982a: 5). Despite the importance of at least some emphasis on distributional issues, there is also a fundamental ambiguity. Populist movements tend to downplay, or even oppose, class conflict. Instead, integration and the non-zero-sum nature of development are emphasized along with the ideal of expanding the economic pie. There is no real social change that is being proposed. Even during populism's first wave, the economic power of traditional elites was left intact in order to finance industrialization. Populist leaders sought concessions from upper classes rather than their overthrow.

Populism is likely to emerge when existing representative institutions are viewed as incapable of responding to widespread frustration and discontent. Social heterogeneity becomes a

necessary precondition for populism's success, in that it fragments the lower classes and makes alternative forms of mass mobilization of the lower classes less viable. But it is not sufficient. Social heterogeneity has been a constant in the region at least since its independence, yet the emergence of populism on a wide scale has been confined to two specific periods, roughly 1930-40 and the mid-1980s to the present.

Although many have incorrectly associated populism exclusively with the political imperatives of early industrialization (Roberts, 1995), the 1930s and the 1940s did offer a socio-economic and political context ripe for populism's emergence. The growth of the middle class and emergence of the working class did not coincide with significant political change in many countries. Existing political institutions and parties often excluded these new groups. Their incipient organizational activities, particularly of the working class, were often violently repressed. Increasing levels of urbanization eroded the ability of the old oligarchy to maintain its hold on power. Single class hegemony was no longer possible and traditional groups were forced to ally themselves with other actors as the "oligarchic state" was replaced by the "state of compromise" (Garretón, 1989). The socio-economic dislocations associated with the Great Depression and the beginnings of large-scale industrialization, especially for the lower classes, generated further feelings of exclusion and uncertainty. While populism was not necessary to fill the resultant void, it did so in a number of countries including Argentina, Brazil and Mexico.

In many ways, the 1980s and early 1990s were equally precipitous for the emergence of populism. The severe economic dislocations associated with the debt crisis, exhaustion of the ISI development model and the subsequent imposition of a new neoliberal model again generated widespread feelings of exclusion and uncertainty. Widespread corruption and economic

mismanagement contributed to a serious erosion of public confidence in existing representative institutions. Years of repression, followed by the collapse of the Soviet bloc, reduced the perceived viability of leftist alternatives for representing lower class interests. At the same time, labor movements have been under attack by both authoritarian and democratic governments alike, not to mention the toll taken upon them by economic crisis and change. Once again, while not the only way to fill a representational void, in a number of countries this is exactly what appears to have happened.

Is populism necessarily a bad thing, at least given the current alternatives in Latin America? Aside from its obvious authoritarian and elitist aspects, populism blocks social changes that could successfully reverse historical problems of inequality and political instability in the region. This is because populism not only depends upon social heterogeneity to succeed, but it actively encourages and even exacerbates it.[21] As Taguieff (1995: 37) notes:

> Celebrated or deplored, even stigmatized, predominant relations of domination are converted into natural necessities through the "wealth" of differences or the "poverty" of deficiencies. Populists sanctify difference in a positive way, whereas advocates of social justice do so in a negative way.

Although a relatively small segment of the lower classes might realize important gains in terms of rights and improved standards of living (at least in the short term),[22] populism simultaneously imposes rigid patterns of participation with sharp limits to how far reform is allowed to go. For this reason, populism epitomized what I have called processes of *controlled inclusion* (Oxhorn 1995b). Such processes dominated Latin American politics during most of the postwar period. Civil society remained fundamentally weak, as large segments of the population remained

unorganized, while organized segments of the lower classes enjoyed only limited autonomy from the state and the elite interests to which they were subordinated. The breakdown of controlled inclusion, beginning with populist Brazil in the mid-1960s and repeated later in Argentina (twice), Chile and Uruguay, led to the imposition of brutal military dictatorships. The significance of controlled inclusion (and populism), however, can be seen in those countries where it has been most absent: Haiti, Paraguay, Cuba (prior to the Revolution), El Salvador and Nicaragua, where extremes of inequality led to polarization and civil war.

In the current period, neopopulism again epitomizes a new, even more limited form of social inclusion: *laissez faire inclusion* (Oxhorn, 1996a). Market principles for incorporation and as a source of incentives for collective action are the hallmark of laissez faire inclusion. The wealth of state resources that had formerly served as an important incentive for political mobilization is largely gone. Market regulation of labor markets increasingly replaces state control. While there is nearly universal electoral legitimation for executive authority, people's access to a variety of services, and even rights, depend increasingly on their financial resources.

Ultimately, the surest way to prevent the resurgence of populism (in whatever form) is to increase the viability of alternatives for autonomous collective action on the part of Latin America's lower classes. This will require conceptualizing the problem of social heterogeneity in a different light, one which can help create new opportunities for autonomous mass-based collective action.

Processes of Class Formation and The Popular Sectors as a New Social Actor

When looked at in traditional, orthodox Marxist terms, Latin America's class structure resembles a minefield when it comes to understanding the potential for mass-based collective action: Either conflicting interests seem to hopelessly divide the region's lower classes, resulting in apathy or populist mobilization that seeks to control them through limited, authoritarian patterns of inclusion that reinforce structural inequality, or extreme class polarization threatens a return to the high levels of violence that swept much of the region in the 1960s and 1970s. At the same time, changes on both the global level (new neoliberal economic policies based on free trade and the market, the demise of the former Soviet bloc and end of the Cold War) and the regional level (virtually all Latin American countries have democratically elected governments) have displaced class as a central axis for organizing social and political relations in Latin America (Garretón, 1996). Indeed, the growth in affluence and spread of modern social relations threatens to make the very concept of social classes obsolete (Clark and Lipset, 1991).

Yet social stratification has not disappeared in Latin America. If anything, it has only gotten noticeably worse in recent years. Moreover, as a result of similar economic reforms implemented throughout the region designed to curtail the economic role of the state, Latin America can only be described as becoming more clearly capitalistic. Employment is increasingly precarious, as state regulation of labor markets declines. While the proletariat in the classic Marxist sense seems to be shrinking, labor itself is increasingly commodified. At the opposite end of the social structure, a formerly weak capitalist class dependent upon state largess has been revitalized and become more autonomous throughout the region (Bartell and Payne, 1995). In between, the middle classes have

had to adapt to changes in the state that have denied many segments their traditional opportunities for employment and social mobility through an expanding public sector, at the same time that segments sociologically more akin to the middle classes in developed market economies have been able to thrive in the private sector. Can class really be irrelevant in Latin America?

To understand the continued relevance of social class in Latin America, and begin to explore the possibility of alternative bases for mass-based collective action, processes of class formation in the region must be re-analyzed, incorporating variables dealing with the state and the nature of civil society that are not directly related to the relationship of individuals or groups to the means of production. This can be done by unpacking the various ideas often subsumed within the concept of class and analyzing class formation in terms of "...the conditional (but not random) process of connections between...four levels of class" (Katznelson, 1986: 21).

As the starting point for analysis, level one of class, *structure*, refers to the common elements shared by all capitalist economies (privately owned autonomous firms seeking to make profit-maximizing decisions, the commodification of labor, etc.) which shape capitalist development within specific nations. At level two, *ways of life*, the concept of class refers "to the social organization of society lived in by actual people in real situations" (Katznelson, 1986: 16). The development of industrial capitalist societies has been closely associated with the separation of the workplace from the place of residence. "With these separations between work and home and between social classes in space," Katznelson concludes, "class relations are lived and experienced not only at work but also off work in residence communities" (Katznelson, 1986: 16). Level three of class refers to the way in which social classes are formed by groups with *shared dispositions*, or what I would call collective identities. Shared dispositions are formed through the interaction of people and constitute

cultural configurations within which people act. As such, this level of class "is not coextensive with class structures and class-based ways of life; nor, however, do dispositions simply mirror reality. Rather, they are plausible and meaningful responses to the circumstances workers find themselves in" (Katznelson, 1986: 19). Finally, level four refers to class-based *collective action* in which classes self-consciously act through organizations and movements to affect society as a whole.

The value in Katznelson's methodological approach, which follows a Gramscian tradition,[23] lies in his explicit effort to understand the sources of the *different* reactions of workers in specific national settings to the proletarianization caused by the industrial revolution of the nineteenth century. In attempting to avoid the economic determinacy generally associated with Marxist class analyses that infer "objective" class identities, interests and activity from economic structure--the "class in itself-for-itself" model--the effects of economic structure (level one) on class formation are mediated by a wide variety of other factors, particularly the organization of the state and state policies. Class formation is no longer seen as following its own inherent and pre-determined teleology, but instead is a contingent process that is influenced by a variety of non-economic factors.

Looked at in these terms, what becomes most apparent is that where people live (as opposed to where they work) increasingly determines how they live and experience class relations in Latin America (Katznelson's level two). In terms of level three of class, changes at the level of the state and civil society have undermined traditional working class identities (which had generally been incomplete and exclusive, in any case). In turn, collective action based on this identity (level four of class) is even more problematic. As Latin America becomes increasingly urbanized, cities (as opposed to factories) may become a primary referent for both new collective identities and new forms of collective action.

In this context, the concept of the *popular sectors* offers one useful alternative for attempting to understand Latin American patterns of class formation.[24] Fundamentally, the notion of "popular sectors" in Latin America refers to the "disadvantaged" groups in highly segmented, unequal societies. While this distinction at first glance seems somewhat arbitrary and imprecise, it directs attention towards a key defining characteristic of this sociological category: These sectors' limited life chances and consumption possibilities.

The nature of the popular sectors in Latin America is necessarily complex and heterogeneous. In addition to an organized working class that is relatively weak in comparison to its European counterparts, the popular sectors in these societies include those workers with more-or-less regular employment in the formal economy but who lack any functional or class organization, the unemployed who are seeking employment, the increasingly large numbers of people associated with the informal or underground economy, as well as the lumpen proletariat who are largely outside of both the formal and informal economies. Overlapping all of these, two groups in particular are frequently singled out: youth and women who live in shantytowns.[25]

All of these sectors are disadvantaged in comparison to a minority composed of the middle- and upper-classes. The notion "popular" thus becomes associated with democracy in the sense that popular interests represent the interests of the vast majority in these societies. The sense of being disadvantaged, or that other groups in society are in some way "privileged," forms a basis for distinctive popular cultures and common experiences. In a similar fashion, "popular" becomes associated with all that is indigenous to a society--traditional culture, values, art forms and beliefs, etc. While not rejecting all that is "foreign," influences from the developed industrialized nations

tend to be associated with the "privileged" sectors and the popular sectors often see themselves as reservoirs of national identity.

The state, and the perceptions of the upper classes in general, also have an important effect in defining what is frequently identified with the concept of "popular." This may be especially true in countries such as Argentina, Brazil, Chile and Uruguay, where recent military regimes took on a markedly "anti-popular" aspect as a result of increasing populist tendencies under the democratic regimes that preceded them (Garretón, 1989). Whereas the popular sectors tend to see themselves as society's disadvantaged sectors, from the perspective of the state and the upper classes, they are the sectors with little or no stake in the political, social and economic system. They pose the greatest potential threat, imagined or real, to the established order to the extent that they can be organized into a collective actor, and an element of at least latent fear thus sets the popular sectors apart from the rest of society. State educational, employment, health care and welfare policies benefit the upper- and middle-classes disproportionately, while popular sectors enjoy far fewer safeguards against the arbitrary use of the state's repressive apparatus.

For the popular sectors as a whole, their situation of marginality is very concrete: state services in popular communities tend to be minimal to non-existent, the basic rights of their inhabitants receive little or no protection under the law, and there is a dearth of opportunity for socio-economic and cultural advancement. Their marginality does not refer to the isolation of popular communities from the society at large or the contrast between the "traditional" and the "modern." The inhabitants of popular sector communities often live in squalor and poverty; their interactions with the productive system, either through the formal or informal economy, do not provide them with economic security and often leave them without sufficient resources to adequately feed, clothe

and care for themselves and their families. Their "marginality" is thus defined in terms of access to the basic necessities of life, as well as to the amenities of modern society, such as health care, education and adequate housing, and the precariousness of their position when they do manage to secure a more acceptable situation for themselves.

In this interplay of influences, housing becomes a central issue for the popular sectors. Social and economic pressures from the middle- and upper-classes concentrate the popular sectors in specific communities, contributing to a common "popular life-style" associated with overcrowding, substandard dwellings and inadequate urban services (especially sewage, drinking water, health care and public education). A highly visible physical segregation of a society's poor from its well-off is often maintained. The life chances of those who belong to the popular sectors are directly affected because of the educational and economic disadvantages that shantytown dwellers must overcome in order to achieve any level of social mobility.

Territorially based organizations help to emphasize the shared interests of the popular sectors, while functional organizations (i.e., labor movements) tend to exacerbate their conflicting interests. The different popular sectors tend to live in the same shantytowns and urban slums. Important concerns such as basic urban services, children's education, health care, hunger, crime and delinquency, etc., are shared by all of the inhabitants to one extent or another, and the "differences" that functional organizations help to emphasize tend to lose at least some of their importance by comparison. For important groups, such as women and people employed in the informal sector, the community may be their only source of identity beyond their families.

The definition of specific territories or the establishment of shantytown boundaries creates common interests that did not exist before which are often central to the concept of "popular" itself.

They are also inherently political in nature, given that the establishment of such boundaries depends upon decisions by the state and the resolution of the conflicting priorities that these interests give rise to (the provision of services, for example) requires state action at the local and/or national levels. This is particularly true in reference to the areas inhabited by the poorer segments of any society, which require some form of redirection of resources by the state, either directly by its own agencies or indirectly through appropriate incentives to attract private resources.

While a popular sector collective identity is still far from becoming an established feature of Latin American politics, a variety of grassroots organizations have emerged throughout Latin America since the 1970s that seek to defend interests closely associated with urban marginality as discussed above.[26] The concerns of their members tend to focus on issues of poverty, inequality, crime, corruption--issues that, far from being revolutionary, have real echoes even in developed market economies.[27] Such organizations generally tend to be highly participatory and democratic in nature. They largely support democratic political regimes.[28]

The relationship between a popular sector collective identity and tendencies toward populism can be understood analytically in Table 1. The first two quadrants represent the absence of any collective identity. In such circumstances, popular sector political activity will be characterized either by atomization and apathy (quadrant one) or populism (quadrant two). Clientelism, hierarchy and exclusion are endemic to both. It is important to emphasize that apathy can be readily transformed into populist political activity when the appropriate circumstances arise (frustration and the perceived incapacity of existing representative institutions to respond). Very broadly (and with important exceptions), the situation of the popular sectors has tended toward either of this two scenarios for most of this century.

The presence of a strong collective identity can alter the situation in important ways, whatever the specific nature of that identity. It provides the basis for the definition of interests, and thus the possibility of representation and inclusion.[29] In the case of the formal proletariat, for example, the presence of a strong working class identity has historically resulted in a mix between quadrants three and four: The emergence of labor parties and autonomous labor movements.[30] The historical absence of a shared popular sector collective identity has left the popular sectors marginalized from effective political representation and frequently made them the pawn in the pursuit of other actors' interests.

Class Formation or Deformation?
Latin America's Popular Sectors

As the Latin American historical experience has made all too clear, the weakness of autonomous organizations that represent the popular sectors has meant that they have been the last to receive the fruits of development and the first to pay its associated costs. Whether this is because of unique processes of class formation or even deformation, a better understanding of processes of class formation in dependent capitalist societies offers the possibility of important new insights into the obstacles and potential for organizing Latin America's lower classes.

A central argument put forth here is that traditional approaches to class analysis are incapable of adequately understanding the complexities created by the dependent nature of Latin American development. Yet, rather than abandon class analysis altogether, our understanding of class formation must be expanded to include the ways in which civil society and state policies both

influence and are influenced by processes of class formation. The unprecedented socio-economic and political transformations that Latin America has experienced over the past 30 years--i.e., the dramatic changes in the region's mode of production and the effects this has had on how people actually live class relations--serves as the starting point for understanding patterns of class formation among Latin America's subordinate classes. But these point to the emergence of a new social category, the *popular sectors,* rather than a single, hegemonic "proletariat."

The popular sectors category is obviously more heterogeneous than traditional (and reductionist) interpretations of social class would allow, and this is due in large part to the important effects that Latin America's unique insertion in the international system has had on the region's mode of production, states and state policies, and even cultural identities. Paradoxically, Latin America's unique pattern of socio-economic development cannot be understood independently of development in the now industrialized countries of the West, and for this very reason methodologies for Marxist class analysis should be *expected* to yield very different results from those that they might yield when trying to understand patterns of class formation in Western Europe or North America. To anticipate a similar pattern of class formation in dependent societies would not only be ahistorical, it risks confusing the object of study (class formation in general) with one specific outcome (proletarianization).

In focusing on the popular sectors as a class (or potential class) actor, the locus of class struggle shifts from issues of production to issues of consumption and citizenship rights. While this coincides with a neoconservative emphasis on the politics of consumption as opposed to the politics of production,[31] the argument being made here is that for a variety of historical structural reasons, the potential for lower class collective action is best understood in these terms. A narrower,

reductionist focus on relations of production obscures this potential by ignoring other--and in the case of Latin America, more important--dimensions of class and exacerbating conflicts of interest that are the inevitable result of the region's heterogeneous class structure. As such, the popular sectors as a new social actor offers at least the *possibility* of overcoming collective action problems among the lower classes which have only tended to reinforce historical problems of social inequality.

Still, the challenge of organizing the popular sectors around a popular sector collective identity is daunting. The very severity of these people's individual plights implies that populism, and clientelism more generally, will be too tempting to resist if the opportunity arises. Paradoxically, popular organizations based on community seem to have greater organizational success under repressive military regimes (Oxhorn, 1996b). Transitions to democracy require people to learn how to take advantage of the spaces opened up at a time when the Catholic Church and other institutions instrumental in fostering community organization begin to distance themselves from the popular sectors. The resurgence of political parties (and, in many instances, populism) is a further challenge to the extent that members of the popular sectors become disengaged from autonomous political activity has happened in many countries in the region. Equally important, transitions to democracy imply the loss of a clear and unambiguous "enemy" to organize against. Once again, the "advantage" of populism is evident in that it necessarily must create an enemy to succeed, regardless of the costs this may imply for political stability and democracy.

The challenge, however, may be unavoidable if democracy is to consolidate itself in the region. The danger of frustrated, marginalized "masses" is too great to ignore.

Table 1

Popular Sector Political Activity

		Autonomous Collective Action	
		Low	High
Popular Collective Identity	Weak	1. Atomization and Apathy	2. Mobilization by Outside Actors-- Populism
	Strong	3. Absorption of Popular Identity by Parties	4. Popular Social Movement

Notes

1. Regional studies include Escobar and Alvarez 1992; Eckstein 1989; Calderon 1986; Slater 1985; Jelin 1990; and Jacquette 1989. Also see Gay 1994 on Brazil; Oxhorn 1995 and Schneider 1995 on Chile; Foweraker and Craig 1990, Cook 1996, and Foweraker 1993 on Mexico; and Stokes 1995 on Peru.
2. I will return to this theme next section. For a general discussion of the problems that extreme social inequality creates for democratic regimes, as well as historical causes of such inequality in Latin America, see Oxhorn and Ducatenzeiler forthcoming.
3. In their order of their level of social modernization, these countries included: Argentina, Uruguay, Chile, Panama, Costa Rica, Brazil, Peru, Ecuador, Honduras and Bolivia. Excluding Argentina and Uruguay, the regional average rises to 31.5%. See CEPAL 1989: 31-4. It is worth noting that younger generations were the primary beneficiaries of this social mobility, a fact that was central to the viability of the developmental model.
4. This is not meant to imply that the industrial proletariat ever accounted for even a majority of the population in the latter countries, but only that the obstacles to workers being able to influence policies as an autonomous collective actor are significantly greater in Latin America than they were in the now developed countries.
5. Portes found Marx's original criteria of ownership of the means of production to be of little analytical value for understanding class structures in Latin America. This is because it results in an extremely assymetrical class structure, with less than one percent of the economically active population comprising the dominant class, and everyone else belonging to a single subordinate class.

6. This class is usually referred to as the "middle class" or "middle sectors." See Johnson 1958.

7. The significance of this shift will be discussed later in terms of its implications for lower class collective action.

8. These were Colombia, Costa Rica, Chile and Uruguay. Argentina, Brazil, Mexico, Panama, Peru and Venezuela all saw their per capita incomes decline between 1980 and 1994 without recuperation. See CEPAL 1996: 37.

9. It is worth noting that Colombia was--and continues to be--among the most unequal societies in the region. Of the ten largest economies (see previous note), Colombia had the worst income distribution in urban areas in 1980. By 1994, only Brazil and Chile had more unequal urban income distributions. See CEPAL 1996: 37.

10. An important exception to this general trend is Brazil, where the labor movement has been strengthened in important ways. Still, labor union membership is relatively low and Brazilian society remains one of the most unequal and heterogenous in the region. Moreover, even in Brazil, the labor movement is to a certain extent beginning to distance itself from its own mass base. See Rodrigues 1995.

11. By "autonomous," I am referring to the ability of mass-based actors to define and defend their collective interests vis-à-vis other actors. For more on this, see Oxhorn 1995a.

12. Among the more important sources, see Conniff 1982b; Canovan 1981; Dornbusch and Edwards 1991; Roberts 1995; Di Tella 1965; Weyland 1996; Castro Rea et al 1992; and Laclau 1979. For a discussion of why the concept of populism is of questionable value for the study of comparative politics, see Roxborough 1984.

13. These four characteristics are broadly similar to those discussed in Roberts 1995. Our respective emphasis, however, diverges due to Roberts' concern with populism's elite-level manifestations and my concern with its social foundations.

14. I will return to the question of the Left and populism below.

15. Ironically, many of the collective incentives associated with populism in the past are being weakened (if not actually reversed) by populism's neopopulist descendent. It is worth noting that the most prominent examples of neopopulism are found in the same countries most closely associated with populism in the past--Argentina, Brazil, Mexico and Peru. Moreover, in Mexico and Argentina, the same political parties responsible for the most extensive populist policies vis-à-vis the working class are also responsible for dismantling of those same policies decades later--the PRI in Mexico and the Peronists in Argentina.

16. I am using a wave analogy to emphasize the fundamental continuity of populism as a mode of interest intermediation over time, and the tendency for it to become most pronounced during periods of economic crisis and rapid change. As will be explained in what follows, the specific forms which populism takes will be influenced by the nature of the economic crisis and responses to it, as well as the specific political context in which it emerges. In general, the first wave of populism (during the 1930s and 1940s) corresponded with classic or traditional populism, while the second wave (during the 1980s and 1990s) corresponds to what is frequently called "neopopulism." There are, however, important exceptions, the most notable one being Peruvian President Alan García (1985-1990). Although his presidency coincided wit Latin America's (and Peru's)

debt crisis and was therefore part of the second wave of populism, his now outdated social and economic policies clearly resembled those associated with the first wave of populism. The complete failure of those policies to resolve Peru's growing economic crisis laid the foundation for the success of his neopopulist successor, Alberto Fujimori.

17. Ironically, the increasingly precarious situation of Latin America's lower classes may have lowered the fiscal costs of neopopulism today as the alternatives open to the poor have narrowed and the promise of access to even considerably reduced state resources through clientelistic networks can make an important difference in the quality of one's life.

18. In yet another twist of history, international capital is no longer an enemy, but instead an ally in the pursuit of national development. This reflects the difference in development models: The first wave of populism accompanied the crisis of the international economic system and Latin America's turn toward ISI. The current wave of populism has adapted itself to a neoliberal economic model based on free trade and state downsizing. See Weyland 1996; Roberts 1995.

19. For a fascinating account of how this was achieved in Mexico in the 1930s, see Hamilton 1985.

20. Indeed, nationalism was a principal ideological axis around which populist coalitions were first created in the 1930s and 1940s. For this reason, populism in Latin America is also closely associated with the first modern forms of nationalism based on social mobilization, and the ability of populist leaders to forge a popular national identity was often central to their success during populism's first wave. Today's neopopulists are at a clear disadvantage in this regard, given the success of their predecessors (populist and

otherwise) in incorporating the popular sectors into national identities. This is generally not the case in much of Eastern Europe and the former Soviet Union, however, where would-be populist leaders have taken advantage of the still ambiguous nature of national identities in the wake of the Soviet bloc's collapse. I am indebted to Philippe Schmitter for reminding me of the importance of populism's nationalist dimension.

21. For this reason, Laclau's discussion of populism is fundamentally flawed. Rather than one way to overcome heterogeneity in the defense of working class interests, populism feeds on such heterogeneity in order to block the successful implementation of a working class project for society. Populism by its very nature cannot lead to a fundamental transformation of the structural sources of inequality in Latin America--something which, in any case, has not been sought by the leaders of actual populist movements. For more detailed discussion of why populist movements and socialist parties are mutually exclusive, see Drake 1991 and Mouzelis 1985.

22. Populism has frequently been associated with fiscal and monetary policies that have resulted in severe balance of payments and inflationary problems that ultimately hurt the lower class beneficiaries of populist distributive policies hardest. See Dornbusch and Edwards 1991. It should be noted that neopopulism's emphasis on macro-economic balance and a reduced role for the state has so far avoided this particular problem.

23. I am indebted to Bill Smith for pointing this out to me.

24. The following discussion draws on Oxhorn 1995a, especially pages 299-302.

25. The high proportion of young people in Latin America, the dim prospects for their future and their tendency to seek more violent and radical solutions are among the reasons why

this group is so important in understanding the nature of the popular sectors. See Valenzuela, 1984 and Agurto, Canales and de la Maza, 1985. In recent years, women have become key actors in popular sector organizations in Latin America, as economic hardship and political repression combined to thrust them into new roles. See Jelin 1990; Jacquette 1989; and Alvarez 1990.

26. Elsewhere, I have discussed the emergence of such a popular sector collective identity, *lo popular*, in the shantytowns of Santiago, Chile, during the previous military regime. See Oxhorn 1995a. Other studies include Fisher 1994; Escobar and Alvarez 1992; Slater 1985; Jelin 1990; Jacquette 1989; Oxhorn 1995b; Stokes 1995; and Gay 1994.

27. In addition to the sources in the previous note, see CEPAL 1995: 99-128.

28. This has been historically true for community organizations in a wide variety of contexts. See Castells 1983 and Mansbridge 1980.

29. Whether or not the result will be democratic political parties or social movements depends on the specific nature of the collective identity. In the case of the popular sectors, available evidence suggests that a popular sector collective identity would be positive for democratic consolidation in Latin America.

30. Argentina's working class is a somewhat ambiguous case. While there is a strong working class identification with Peronism, it is difficult to describe Argentina's formal proletariat as having a strong *working class* identity. For example, see the discussion concerning the absence of leftist leanings in Waisman 1987.

31. I am indebted to Kurt Weyland pointing this similarity out to me.

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