THE PROSPECTS FOR DEMOCRACY IN THE SOUTHERN CONE

SKYE STEPHENSON-GLADE

The perceived victory of democracy over authoritarianism in Latin America has generated significant hope that the era of military rule in the region has ended. Skye Stephenson-Glade analyzes the long-term prospects for democracy in three Southern Cone nations, Uruguay, Chile, and Argentina, and draws distinctions between the temporary establishment of democratic governments and the permanent institutionalization of democracy. She analyzes historical trends and contemporary issues based on the prevalence of democratic ideals over authoritarian ones, the existence of conciliatory political practices, and economic conditions in order to measure the likelihood of the emergence of permanent democratic regimes.

For the first time in history, all of the Spanish and Portuguese speaking nations of South America are headed by democratically elected officials, while only a decade ago two-thirds of all South Americans were living under authoritarian rule. It is nonetheless premature to celebrate the total victory of democratic forces in South America. The region is currently in a period of transition in which the successful institutionalization of stable democratic rule is only one of several possible future scenarios.

Latin American governments have typically oscillated between democracy and authoritarianism. During the periods in which democracy has prevailed, governments have struggled not with its implementation but with its institutionalization.[1] J. Samuel Valenzuela makes a distinction between *democratic regimes*—institutionalized political systems in which democracy is the sole political currency for one political generation (approximately twenty-five years)—and *democratic situations*—more temporary democratic rule interrupted by and perhaps alternating with authoritarian rule.[2] While every South American nation has experienced democratic situations, few have successfully established democratic regimes. Today, only Venezuela and, perhaps, Colombia could be considered true democratic regimes.

Skye Stephenson-Glade is Assistant Professor of Political Science at The University of Redlands, Redlands, California.

1. Mitchell Seligson argues that Latin American nations have tended to experience twenty-five year cycles of alternation between democratic and authoritarian governments. For details see Mitchell Seligson, "Democratization in Latin America: The Current Cycle," in *Authoritarians and Democrats: Regime Transitions in Latin America,* ed. James Malloy and Mitchell Seligson (Pittsburgh, Penn.: University of Pittsburgh Press, 1987).
2. J. Samuel Valenzuela developed the difference between a *democratic regime* and a *democratic situation* at a presentation at Harvard University in April 1984.

Charles Anderson calls this the "dual-nature" of Latin American politics, in which neither democracy nor authoritarianism has achieved total legitimacy.[3] During periods of democratic rule, governments fear that their opponents are trying to dismantle the democratic system; during periods of authoritarian rule, dictators are concerned with their lack of popular support.

Nonetheless, the institutionalization of democratic government in Latin America is possible. Three key conditions can be identified as necessary to transform a democratic situation into a democratic regime. First, within the society as a whole, democratic ideas must prevail. Influential citizens need to decide that a government based on the will of the people is the sole legitimate political form. Without such a conceptualization, authoritarianism will persist as a viable alternative. Second, the will to compromise must exist. Any attempts at reform must be implemented in a gradual and conciliatory manner to avoid alienating powerful sectors of the populace.[4] The need for such "political good sportsmanship" is particularly evident in the Latin American context where the struggle between authoritarian and democratic tendencies has been an internal one. Those sectors traditionally supportive of authoritarian solutions, such as the military, certain business elites, large landowners, and members of the middle class, must be made to feel a part of a democratic system. They must be convinced that a democracy can meet their needs and that they should remain in the democratic process. Lastly, a favorable economic climate should exist. While economics remains secondary to politics in its impact on democratic institutionalization, a favorable economic climate can determine whether or not the needs of these influential sectors are met, and thereby determine their receptiveness to political change.

Of course, many factors, both international and internal, impact and contribute to the nature of a regime and its relative stability. In the Latin American context, the influence of foreign governments, the state of the world economy, lending policies of multilateral institutions, and ideological shifts have an impact on the internal political situation. The burgeoning of democratic regimes and the weakening of the appeal of communism and authoritarianism internationally will also influence South Americans' view of the legitimacy of the democratic system. Catholic Church support for human rights and a return to representative government, a significant factor in some Latin American nations, will necessarily have a spillover effect in the political arena and may alter the relationship between political actors as well. Other domestic factors include the role of social class formation, labor union activities, character of leadership, and economic structures.

This complex constellation of pushes and pulls either toward or away from democratic government is continually shifting position and force in Latin

3. Charles Anderson, *Politics and Economic Change in Latin America* (New York: Van Nostrand Reinhold Co., 1967), 87–114.

4. As democracy becomes more firmly installed, i.e., after one or two successful democratic transfers of executive powers, the focus on conciliation and compromise becomes less important, particularly if the military has been successfully coopted under the democratic regime.

America. But all these factors influence the degree of acceptance of democracy as the sole political currency, the existence of political good sportsmanship, and the level of economic development. What makes these three conditions the most important in analytical terms is that they represent the actual outcome of the interplay of numerous international and intranational events. For instance, restrictions on multilateral lending due to human rights violations, which have occurred in Argentina, Chile, and Uruguay under military rule, had a direct impact on the economic conditions of these countries.

This paper analyzes the experiences of Uruguay, Chile, and Argentina in the light of the three conditions outlined above. The extent to which each country has realized these conditions is directly related to whether and to what degree it will successfully be able to institutionalize democracy.

Uruguay

Due to its strong democratic conditions, Uruguay has a greater possibility of successfully institutionalizing than either Chile or Argentina. This small nation of three million people experienced a decade of harsh authoritarian rule from 1973 to 1984 and at one time held more political prisoners per capita than any other nation in the world. However, this decade of authoritarian rule stands out as the only interruption of the Uruguayan pattern of two-party democracy since its initiation in 1903.

Acceptance of Democracy

The nation's most famous politician, Jose Batlle y Ordonez, played a key role in consolidating Uruguayan democracy from 1903 to 1929. Under his leadership, a unique form of democracy known as *Batllismo* evolved. Batlle based his political policies on providing essential services to the populace and promoting the direct entrepreneurial role of the state.

The majority of Uruguayans supported *Batllismo* in the ensuing decades. The *Blancos* and *Colorados,* the two rival political parties, both supported liberal democracy, heavy state involvement in the economy, and a progressive welfare state, although to differing degrees. Until the early 1970s, democratic rivalry between the two parties and contested elections proceeded uninterrupted. In fact, Uruguay came to be known as the "Switzerland of South America" for its liberal political system and welfare policies.

In the early 1970s, however, strong criticism arose over the corruption and mismanagement of some of the leading Uruguayan politicians. Many sectors of the population began to believe that status quo politics would not create the type of society they envisioned. An urban guerrilla group known as the *Tupamaros* surfaced and called for more equitable and efficient state intervention in the economy. The *Tupamaros* both supported political activity within the democratic arena and used terrorist activity to reveal the weaknesses of the system. Their extra-legal measures were designed to undermine the existing system, yet at the same time they formed a new political alliance with a leftist

platform called the *Frente Amplio* in an effort to garner electoral support and undertake reforms.

Ironically, the final blow to democratic government came not from the *Tupamaros,* but from democratically elected President Juan Maria Bordaberry. For five years prior to his election in 1971, limited states of siege and suspension of civil liberties had been invoked to help fight the *Tupamaros.* Then in 1972 Bordaberry announced an indefinite extension of the state of emergency and began to align himself with the military rather than with the legislative branch which had often blocked his policies. In June 1973 Bordaberry enacted the so-called *auto-golpe.* A presidential decree closed Congress and empowered the military to take whatever measures it deemed necessary to ensure normal public services and to eliminate the *Tupamaros.* Although Bordaberry remained in power only until 1976, June 1973 marked the start of a decade of military-dominated authoritarian rule in Uruguay.

The general population never called for the military takeover, and many Uruguayans opposed military rule and the associated widespread abuse of civil liberties. Unions, for example, protested for days after the closing of the Congress until they were outlawed by the military, and students protested in such great numbers that the government shut down the University of Uruguay. Despite their success defeating the *Tupamaros,* the military found it impossible to garner the populace's support for its self-imposed regime. The democratic tradition in Uruguay proved too durable.

In 1980 the Uruguayans rejected by a margin of 57 percent to 43 percent a constitution drawn up by the military to legitimate its rule. The constitution outlined a limited democracy under military control with a National Security Council as one branch of the government. The existence of the National Security Council would have entitled the military to share the president's right to declare national emergencies. In the face of this electoral defeat, the military claimed that the vote had only rejected the constitution, not military rule. Nevertheless, the vote highlighted the anti-military sentiments of the populace. The decisive defeat of the authoritarian regime occurred in the 1983 elections when the pro-democracy candidate, Julio Sanguinetti, won a clear victory over the military candidate. Uruguayans soundly rejected authoritarian rule and reaffirmed democracy as their preferred political system.

Political Good Sportsmanship

Most Uruguayans view their democratic structures and parties as essentially sound, attributing the authoritarian decade to the *Tupamaro* crisis and the militaristic approach of Bordaberry. The return of a democratic government in 1984 represented a restoration of the *status quo ante.* Since 1984 the *Blanco* and *Colorado* parties have dominated the Uruguayan political scene just as they did prior to 1970. However, several differences can be noted in the current post-authoritarian period. The traditional acrimony between the *Blanco* and *Colorado* parties has declined significantly, and a clear policy of conciliation between all sectors of the population has been actively promoted. For example,

the Sanguinetti government did not prosecute the military for its past atrocities. On November 30, 1989, when Luis Alberto Lacalle of the Blanco party defeated the candidate of the ruling Colorado Party,[5] he confirmed his belief in conciliatory democratic politics when he vowed that "Uruguay will remain on the straight, unspectacular road of democracy. The turbulent days are over."[6]

Economic Conditions

Uruguay's economy fared poorly for several decades, due to both the decline in world prices for Uruguay's traditional exports of meat, wool, and hides, and to inappropriate import-substitution policies pursued until recently. Some of the support garnered by non-democratic factions in Uruguay can be attributed to the nation's economic decline which provoked widespread discontent among the population.

Both the pre-1973 democratic government and the military regime failed in the economic realm. The Batlle government greatly overemphasized state intervention in the economy and distributed jobs not on the basis of merit or need, but according to pacts made between party factions. The military attempted to liberalize the economy. Attempts at attracting foreign investment and wage and price stabilization measures, however, brought few tangible results. The economy continued to decline.

The new democratic government has managed the economy with greater success. It has deemphasized state intervention in the economy and has reduced politically motivated job distribution, while promoting banking, services, and tourism. During his term, President Sanguinetti reduced unemployment from 15 percent to 9.7 percent and also succeeded in lowering inflation. President Lacalle is applying free-market policies and decreasing the government's role in the economy with some success. The improvement in Uruguay's economic performance should contribute to a strengthening of democratic prospects in the country.

Prospects for Permanent Democratization

In the political realm, the Sanguinetti government focused on conciliation with the military. Despite the repressive tactics of the Uruguayan military when it was in power, Sanguinetti made the unpopular decision to not prosecute military officers for human rights violations. At the same time, he released all political prisoners, including the jailed head of the *Tupamaro* movement. Terrorist activities in Uruguay promptly ceased and the military has made no attempt to overthrow the democratic government.

Since his election, Lacalle has created a coalition government, and has encouraged the participation of all political sectors. He has shown a willingness

5. The Blanco Party gathered 38 percent of the vote compared to 28 percent for the Colorado Party.

6. William R. Long, "Bush's Visit to Come During Critical Hour for Latin's Democracy and Economics," *Los Angeles Times*, 1 December 1990, A-19.

to work with elected officials representing all political ideologies, including the socialist mayor Tavare Vazquez of the capital of Montevideo, home to nearly half of Uruguay's population. These conciliatory efforts, along with the acquiescence of the military and improvements in Uruguay's economy, make the prospects for institutionalizing democracy in Uruguay quite favorable.

Chile

The Chileans' chances for institutionalizing democracy are also quite good, although significant popular support for former dictator Augusto Pinochet makes the possibility of future military involvement in the government higher than in Uruguay. In March 1990 Chileans inaugurated Christian Democrat Patricio Aylwin as the first elected civilian to hold office since 1973.

Democratic Acceptance

Like Uruguay, Chile experienced nearly a century-long period of democratic rule prior to the 1973 coup.[7] Yet while Uruguay boasted a strong two-party system with minimal ideological differences, the Chilean political system included numerous parties possessing divergent and opposing ideologies. The Chilean electorate tends to be equally divided between the right, the center, and the left, leaving no group with an absolute majority.[8] The formation of coalitions is therefore necessary to gain control of the Congress or to successfully elect a candidate. Usually the center parties are courted by both sides and as a consequence, Chilean leadership tends to alternate between center-right and center-left control.

Political Good Sportsmanship

Chilean coalition politics began to weaken and political polarization to increase during the 1960s, contributing significantly to the 1973 military coup. Compromise was all but forgotten as supporters of different political parties fought for political domination. In many cases, political affiliation determined friendships, clothing styles, and cultural choices. The rapid success of the Christian Democratic Party in the early 1960s instigated the shift in Chilean politics from consensus to conflict. The Christian Democratic party promised a compromise between the right and left, and it ran on a progressive platform promising moderate reforms. However, when Christian Democrat Eduardo Frei won the 1964 election with 56 percent of the vote, he had no need to form a coalition with either the right or left.

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7. There was one short military intervention under Colonel Carlos Ibanez del Campo (1927–1931).
8. Chile has had among the strongest Communist and Socialist parties in the hemisphere since the 1930s. During the 1930s Chile experienced a short period of rule under a Socialist president.

Christian Democrats were proud of Frei, who, for the first time in modern Chilean history won an absolute majority for the presidency, and who gained international attention and financial assistance.[9] Domestically, however, the Frei government pleased neither the right nor left. His government implemented too many reforms to please the conservatives and not enough to satisfy the Socialists and Communists, and both extremes joined together in the Congress to obstruct Frei's policies. In the next presidential election, Marxist Salvador Allende won, marking the first democratic election of a Marxist anywhere.[10]

The connection between politics and economics has always been strong in Chile due to the nation's history of political polarization. In the democratic pre-coup years, an election outcome determined not only taxation, foreign policy, and education, but also who owned the economic factors of production.

Political polarization increased significantly following Allende's election. Although Allende's supporters were understandably ecstatic, Chile's center and right were fearful and worried about his political agenda, and some large landowners and businessmen fled the country. Allende's opponents tried to block his election in Congress even though he had received a plurality of the popular vote, and some turned to foreigners and the military for help. Whereas in Uruguay the electorate viewed the *Tupamaro* threat as outside the realm of politics, many Chileans began to believe that the political schisms exacerbated by Allende's election threatened the legitimacy of the entire political system. Democratic politics began to be viewed by some as the main cause of Chile's problems.

Economic woes and extremist violence aggravated many Chileans' dissatisfaction with the Allende government. The military believed the nation verged on civil war and that it was their duty to "save Chile" from the politicians.[11]

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9. Eduardo Frei was one of the "favored" Latin American leaders during the Kennedy Administration's Alliance for Progress policy, since many of his Christian Democratic reforms coincided with the goals of the program. As a consequence, Chile received significant international aid, at one time ranking second only to Vietnam in per capita US assistance. For a critical examination of the strengths and weaknesses of the Alliance see Jerome Levinson, and Juan de Onis, *The Alliance that Lost its Way* (Chicago: Quadrangle Books, 1970).

10. Under Chilean laws the President cannot run for reelection.

11. The Chilean military has traditionally had a high profile in Chile, even during the decades of democratic rule. Modelled along Prussian lines, the military was hierarchical and well-trained, with a string of victories in regional disputes to its credit.

On September 11, 1973, armored vehicles, airplanes, and ships took control of Santiago and other major cities around the nation. Communists, Socialists, and left-wing guerrillas were rounded up and placed under detention. The military killed many of its detainees, exiled others, and imprisoned the rest. Salvador Allende chose suicide to surrender, ending his life in the presidential palace as airplanes strafed bullets from above.

The Chilean military coup contrasts with the gradual and relatively unpopular Uruguayan military takeover. While it is impossible to know how many Chileans supported the coup, it is reasonable to argue that many, if not the majority, were pleased that the military had intervened to bring order to the chaotic political situation. The ruling junta, headed by General Pinochet, declared the nation near bankruptcy and called for housewives to donate their jewelry to help rebuild the economy. Many housewives willingly gave their wedding bands for the cause. The contrast between the Uruguayan and the Chilean cases becomes even clearer when looking at the 1980 plebiscite results. The same year that the Uruguayans voted "no" to the their proposed military constitution, the Chileans voted "yes" by a margin of 67 percent to 33 percent to Pinochet's constitution which extended his rule until 1989. The Chileans supported military rule much more than the Uruguayans.

Although the Chileans approved the 1980 Constitution, the ruling junta's zeal in purging the country of all remnants of political opposition began to conflict with the democratic tendencies of many Chileans. While in the early years of its rule the military could justify its persecution of Allende sympathizers, its increasing censorship of the Christian Democrats and even some conservative politicians began to decrease people's acceptance of repressive measures. Many Chileans, even former Pinochet supporters, began to feel that Pinochet and the military were abusing their political authority.

Some Chileans quietly waited for the 1989 elections promised in the constitution, while others voiced their disagreement through protests and demonstrations. A much smaller group decided that only violence would rid the country of military rule. Anti-government guerrillas blew up power lines and attempted political assassinations and nearly managed to assassinate Pinochet in 1988. Politicians from all political parties, extreme left to extreme right, banded together to press the Pinochet government for political reform. Unity of purpose, rather than decisiveness of platform, brought the political parties together.

By the 1989 election, opposition to thirteen years of military rule was strong. Following the provisions of the 1980 Constitution, Chileans were faced with a vote to extend Pinochet's rule for another eight years. Pinochet campaigned on his economic success and the fear of Marxism, but this time he lost.[12] The Chileans accepted temporary military rule as a response to the instabilities of extreme national polarization, but they would not accept a long-term authoritarian government. The belief in democratic ideals proved too strong.

12. The final election results were 55 percent "no" and 43 percent "yes."

In the November 1989 free elections which followed the plebiscite, Chileans elected Patricio Aylwin of the Christian Democratic Party to the presidency. He took office in March 1990. Aylwin leads a coalition government consisting of seventeen parties of the center and left, wholly consistent with the traditional pattern of Chilean politics.

Economic Situation

The connection between politics and economics has always been strong in Chile due to the nation's history of political polarization. In the democratic pre-coup years, an election outcome determined not only taxation, foreign policy, and education, but also who owned the economic factors of production. For example, from 1960 to 1973, Chilean economic policy was transformed from a conservative, free-market economy with minimal land reform to a statist economic system where large landholdings were taken from their owners with minimal compensation. The country then adopted a Marxist economic system under which more land was taken, this time without compensation, large businesses were expropriated, and the government greatly expanded its control over the economy.

After deposing Allende's government, the military administered an economic policy once again based on free-market capitalism, which proved quite successful for all but the bottom rungs of society. Milton Friedman shuttled back and forth from Santiago to provide first-hand assistance to the Chilean government in its attempts to restructure the nation's economy. The military promoted export-oriented industries, allowed foreign imports, greatly reduced tariffs, and courted foreign investment. The government increasingly diminished social spending, leaving education, health, and social policies primarily to the private sector.

The free-market model had positive results overall for the Chilean economy, despite some short-term dislocations and bankruptcies. Inflation declined rapidly and the economy experienced positive growth throughout most of the 1980s. However, most benefits accrued to middle and upper sectors of the population. The poorer social strata saw their standard of living decline and government supports wither away. The military prohibited organized labor to strike or to protest for higher wages.

Although Pinochet was defeated politically in the 1989 plebescite, many consider his economic policies successful. The success of the Chilean economic model under Pinochet enabled him to win support for the 1980 Constitution and to win more than 40 percent of the vote in the 1989 plebescite. Riordan Roett, a Latin American expert addressing the resurgence of Chilean democracy, points out that

> supporters of the Allende regime, as well as the opposition Christian Democratic Party, came to realize that they had little chance of returning to political power if they trashed the Pinochet economic program. Slowly, but surely, the political opposition, by the late

1980s, argued that they would retain the bulk of the economic and financial reforms.[13]

The democratic coalition chose Patricio Aylwin as their candidate in the 1989 election primarily because of his moderate, pro-business policies. Since becoming president, Aylwin has maintained the free-market liberal economic policies introduced by the Pinochet regime. The only change he has made is to provide improved social services for the poorer sectors of Chilean society.

Prospects for Permanent Democratization

The potential for successful institutionalization of democracy is certainly present in Chile today. After seventeen years of military rule, politicians have learned that coalition behavior and compromise are necessary to keep a democratic system functioning. Chileans in general agree that Pinochet's free-market economic model seems to be working, and economic policy is much less tied to politics than in the period before the 1973 coup. Nonetheless, Chilean politicians need to focus on more equitable distribution of wealth to the poorer sectors of the populace.

The future of democratic government in Chile may depend in part upon how well the Aylwin administration addresses human rights abuses which occurred under the Pinochet government. Last year at the reburial with public honors of former President Allende, Aylwin, an Allende adversary, called it "the duty of all Chileans" to avoid repeating the circumstances which led to Allende's death and the rise of the military.[14] Over two-thirds of Chileans polled in 1990 favored the trial and punishment of human rights violators,[15] yet the military has staunchly opposed any policy to investigate political deaths and disappearances. Within the governing alliance itself there is disagreement on how to deal with past human rights abuses. The centrist parties of *concertacion,* Aylwin included, backed the 1973 military takeover while the leftist parties did not.[16] A policy which partially satisfies all sectors, while meeting the full demands of none, may be the best solution, despite what justice demands.

Other potential problems lurk in Chile's new democracy. For example, the 1980 Constitution is weighted in favor of the military. It outlaws communism and totalitarian ideologies even though nearly a third of the population has traditionally voted Socialist or Communist. Also, Pinochet remains commander-in-chief of the army, and he plays a prominent role in the military-dominated National Security Council, whose power limits the authority of

13. Riordan Roett, "Latin America: The Resurgence of Democracy and the Market Economy in the 1990s," (Paper presented at the 1990 Atlantic Conference of the Chicago Council on Foreign Relations, Nas Rocas, Brazil, 8–11 November 1990), 13.

14. Peter Winn, "Aylwin and the Future of Chilean Democracy," *Christian Science Monitor,* 16 October 1990, 19.

15. Ibid.

16. *Concertacion* was an umbrella movement incorporating most opposition parties. The extreme left, however, did not participate.

both the president and the Congress. Many believe Pinochet accepted defeat because he believes the politicians will fail and he will be called on a second time to save the nation. Should the economy decline or political polarization reappear, it is plausible that Pinochet could retake power. More than 40 percent of Chileans supported Pinochet in the 1989 plebescite, and today many are doubtful that Aylwin and his alliance can effectively run the economy. Aylwin and his newly elected Congress must therefore prove to large segments of the Chilean electorate that they can control and improve the political and economic climate.

Argentina

Of the three southern cone nations, Argentina has the least chance for successful institutionalization of democratic rule. In the three areas of analysis—legitimization of democratic ideals, evidence of political good sportsmanship, and economic development—this potentially wealthy nation exhibits weaknesses. A democratic regime may nonetheless emerge in Argentina. In 1989, for the first time in nearly sixty years, the country enjoyed a successful transfer of power from one democratically elected president to another. However, continued interference by opposition factions within the military (four coup attempts in as many years) coupled with deteriorating economic conditions indicate a strong possibility of democratic breakdown sometime in the near future.

Acceptance of Democracy

In 1929 an English observer claimed that "today Argentina is one of the most stabilized and civilized states not only in Latin America, but in the world. A revolution there is as impossible as in England." Only one year later, military intervention began. From 1930 to 1973, no elected president completed his constitutional term. Of the sixteen presidents who ruled during this period, eleven were military men. Juan Peron, the most important political figure in Argentine history, was charismatic but did not advocate democracy. Many claim that Peron's manipulation of the nation's political system created the strong authoritarian tendency in the country. Yet in many ways, Peron was a manifestation rather than the cause of Argentina's authoritarianism. Even before he entered politics, only weak support for a democratic government existed.

How could this happen in a nation which seemed to have all the requirements for democratic government? Argentina has great potential wealth, and at the beginning of the twentieth century Argentina's per capita income was greater than Canada's. Argentines are well educated (the literacy rate is over 95 percent), and the social structure is predominately middle-class. However, Argentine politics have been characterized by an inability to accept opposition, and as a result a democratic system has failed to flourish.

From 1880 to 1930, Argentina was ruled by a quasi-democratic regime. For much of this fifty-year period there was a limited franchise and fraudulent elections, especially during the conservative years from 1880 to 1916. Electoral reform in 1916 established near total dominance of the primarily middle class Radical Party. The Radicals established a long-standing pattern in Argentine politics of shutting out both the conservatives—mainly wealthy rural elites—and the urban working class from political participation. Whereas Uruguay and Chile legalized unions and allowed them a powerful political voice, the Argentine government chose to deal with demands by exclusion rather than inclusion. By 1930 the conservative elites had rejected the democratic political system and formed an alliance with the military.[17] In that same year General Uriburu overthrew the constitutional government, marking the beginning of military rule in Argentina. Uriburu ruled for a decade, catering primarily to the demands of the wealthy rural sector and continuing to exclude labor. As a consequence, as late as 1940 a large body of workers in Argentina had no political representation.

Under Juan Domingo Peron labor demands were heeded and collective bargaining was allowed for the first time. Peron was a former military officer who used his appointment as Minister of Labor in the early 1940s as a base to mobilize political support. As his power base expanded, higher ranking members of the military attempted to weaken his political influence by arresting him in 1945, but continued popular mobilization of the workers forced his release. He was elected president in 1946.

Peron ruled Argentina from 1946 to 1955, first as a democratically elected president, then under conditions set out in his *Justicilista* Constitution of 1949. Despite the excesses and economic mistakes of his regime, Peron successfully brought labor into the political system for the first time. He legalized unions and by 1947 there were four million labor union members registered, compared with only four hundred thousand in 1944. Peron dominated Argentine politics for more than ten years, and then lost power in a 1955 coup. Even after his overthrow labor continued to support him, and the middle class, business, and the church continued to oppose him.

As a result of Argentina's turbulent political history, the two major interest groups in Argentine society—landowners and labor—have tended to associate their interests with non-democratic alternatives. The rural elites formed an alliance with the military while the urban workers aligned with the populist *Peronismo.* Moreover, great antagonism existed between the rural elite and urban labor. When the landowners were in power, labor was not recognized; when Peron was in power, he shifted resources from the agricultural cultivation of the naturally rich Argentine countryside and promoted policies intended to spark industrialization.

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17. This alliance never existed in either Chile or Uruguay, where the upper classes expressed their concerns through the democratic process. In fact, in Chile and Uruguay the military has been the bastion of the middle and working classes; in contrast, in Argentina many prominent families ensure their position by sending one son to an elite military academy.

Political Good Sportsmanship

Peron's downfall served to exacerbate the divisive elements in Argentine society. Politics came to be increasingly viewed as a zero-sum game, in which compromise between different political sectors was considered undesirable. For two decades after Peron's fall, what was known as the "impossible game" was played out in Argentina. Attempts were made to set up a democratic government while prohibiting the strongest political group, the Peronist Party, from participating. Competition between non-*Peronista* parties to win elections was allowed, but the key to victory was obtaining the support of *Peronista* labor. However, when the party that gained *Peronista* support triumphed—even if the *Peronista* name was not used—the military invariably would perceive this to be a threat to their interests and disallow the government.

Many Argentines believe that Juan Peron's manipulation of the nation's political system created the strong authoritarian tendency in the country.

As a consequence, oscillations between military and civilian governments became the norm in Argentina. By the mid-1960s some labor leaders concluded that they would not be included in any government system, and for the first time began to respond to their repression with violence. Kidnappings and assassinations escalated. Even former President Armburu, who had ordered the execution of *Peronista* conspirators in 1956, was kidnapped. It became obvious that attempts to extirpate *Peronismo* from Argentine politics were leading to a dangerous polarization of society.

Ironically, some members of the military concluded that Peron was the one individual who might save Argentina from the downward spiral of violence. Other military officials thought that once Peron gained power again and began to disappoint the Argentine public, the myth surrounding him would die. So Peron was invited back from exile in 1973 and voted into office. No one knows if he would have been an effective leader since he died less than a year after assuming office. After Peron's death, his second wife, Isabel, took office. Her incompetent administration muddled through several years of increased leftist violence and declining economic fortunes until the military intervened in 1976.

Large segments of the population supported the 1976 coup. The Argentine military enjoyed initial popular support never achieved by the Uruguayan military. Many Argentines assumed that the military would take care of the guerrilla threat and the economic decline. The military did successfully eliminate the *Montaneros,* the largest guerrilla group, and various other terrorist

factions. However, the Argentine military employed much more repressive tactics than those used in Uruguay or Chile. It is estimated that between 10,000 and 30,000 political deaths occurred in Argentina during this so-called "dirty war." The military killed more than five times the number of guerrillas in the country since at the height of their activity only 2,000 guerrillas operated in the country. By 1982 authoritarian rule was more discredited than at any point in modern Argentine history. Added to this was the Argentine defeat in the Falkland Islands War, the only military confrontation Argentina has fought in the twentieth century. This defeat, coupled with the increased opposition to repressive domestic policies, forced the discredited junta to call elections.

The early days of democratic restoration seemed hopeful. Raul Alfonsin of the Radical Party was elected with 54 percent of the popular vote, proving that the majority of Argentines no longer supported *Peronismo.* The military retired peacefully to the barracks. But discontent soon threatened the democratic Alfonsin government. Human rights trials alienated most of the military establishment, as the highly publicized trials resulted in numerous convictions and prison terms for high-ranking military officials such as Generals Videla and Viola, both former heads of the ruling junta. The military attempted numerous coups, labor refused to work with the new democratic government, and the Alfonsin government found itself increasingly mired in an economic morass.

Toward the end of his presidency, Alfonsin's one goal remained a peaceful transfer of power to his elected successor. He achieved this goal when Carlos Saul Menem took office in 1990 in the first peaceful transfer of power since 1930. Yet Alfonsin's successor, a member of the rival *Peronista* party, had to take office six months early due to the country's chaotic economic condition.

Economic Situation

Argentina's economic problems appear even more insoluble than its political ones. Twentieth-century Argentina has experienced some of the lowest economic growth rates in the world. In 1930 its national income was greater than Brazil's. In 1960 its national income was only slightly greater than that of the Brazilian state of Sao Paulo. By 1990 Argentina's national income was less than the income of the city of Sao Paulo.

As in the Chilean case, politics and economics have been inextricably linked in Argentina. However, the main issue of conflict has not been the degree of economic state control as in Chile, but rather whether the rural agricultural sector or the urban industrial center should predominate. Since World War II no Argentine government has carried out a successful economic plan. Export prices for Argentine meat, leather, and wool have declined over the past decades, making export-led economic strategies unsuccessful. Leaders such as Peron who favored the industrial sectors found Argentine industrial products internationally uncompetitive and expensive to subsidize domestically.

One reason the Argentine military was discredited in 1982 was the country's poor economic performance. The junta's economic minister, Jose Martinez de Hoz, had attempted to restructure the Argentine economy, favoring agricultural sectors and eliminating taxes and other restrictive measures. However, agricultural prices did not keep up with overall inflation, the nation's leading economic indicators declined, and by 1980 the farmers had begun protesting the military junta's economic policies.

The recent democratic administrations have performed even worse than the military in the economic arena. Heavily indebted, facing obstructionist actions by the Peronist-dominated unions, and unable to carry out consistently a needed economic overhaul, Alfonsin's administration actually worsened the economic situation. By the end of his term, Argentina experienced inflation rates of over 100 percent a month. President Menem said in his inaugural speech that Argentina would undergo drastic economic restructuring. He has tried to enact free-market economic policies and decrease state control of industry. Thus far his policies show some promise: he has slowed inflation, decreased the money supply, and sold off some state industries. Yet inconsistency characterizes Menem's economic policies. Since assuming office thirteen months ago, there have been more than seven different economic packages and nearly as many economic ministers. In 1990 alone Argentine industrial output shrank more than 6 percent due to anti-inflationary policies, yet inflation continues to rise and remains at more than 143 percent. Purchasing power has dropped 56 percent and joblessness has doubled.[18]

Prospects for Permanent Democratization

As the economic situation deteriorates, Menem's base of political support is weakening and his patience with democratic formulas seems to be wearing thin. For example, in an attempt to stop increasingly frequent strikes, Menem tried unsuccessfully to have Congress pass a bill to limit the right to strike. He then unconstitutionally issued his own decree to halt strike activity. Other examples of Menem's extra-legal actions include an "emergency law" which, among other provisions, prohibits those affected by privatization from suing the state for two years even though the constitution guarantees the rights of citizens and companies to sue the state. In the area of taxation, Mr. Menem's economic minister has been telling the provinces that if they want to receive the money that is legally theirs, they must adopt austerity programs.[19]

The most serious threat that faces democratic government in Argentina is the continued intervention by key sectors of the military. The December 3, 1990, uprising by the Painted Faces, a group of disgruntled soldiers, clearly demonstrated that despite Menem's pardons for officials jailed for human

18. Julia Michaels, "Argentine's Survival Plans Blossom in Bad Economy," *Christian Science Monitor,* 21 November 1990, 6.

19. For further details see "Argentina: Rules, What Rules?" *The Economist,* 27 October 1990, 46.

rights abuses, some members of the military continue to make demands through extra-legal means.[20] For example, in the December 1990 uprising, the rebels demanded that the army be allowed to choose its own leadership even though under the constitution the president is commander-in-chief of the armed forces. This uprising was the bloodiest and largest since Argentina's return to democratic rule, lasting over twenty-four hours and causing six deaths and over 200 wounded. Although the Painted Faces claimed that they were not challenging Menem's authority, they opposed Menem's economic policies and insisted that the civilian government has reduced the standard of living and the prestige of the military. Army members loyal to Menem's democratic government put down the rebellion.[21]

Although the coup attempt failed, expanding segments of the Argentine civilian population are beginning to look fondly upon the period of military rule. The sharp drop in purchasing power which has occurred under Alfonsin and Menem is sparking a desire among many for a return to the order and stability of military rule. If the economic decline continues and democratically elected leaders are unable to obtain support for necessary reforms, another rebellion might not be so easily defeated.

Conclusion

It is too early to declare the complete triumph of democracy in South America. Examining the democratic prospects of the Southern Cone nations according to the three factors established at the beginning of this article leads to two conclusions. First, simply because there have been one or two democratic elections in these nations does not necessarily mean that democracy is firmly entrenched. Given past proclivities and present uncertainties, it will probably take at least one political generation, or about twenty-five years, for democracy to be successfully institutionalized. Although the potential for democratic breakdown in any country always exists, it becomes less likely the longer the period of democratic rule. Second, there will be a different scenario for each of the three nations. Uruguay appears to have the greatest possibility of achieving a democratic regime, and Chile also has a good chance, barring a pronounced weakening of its free-market economy or increased political polarization. Argentina appears the least likely to achieve successful democratic institutionalization. Key segments of the military have yet to accept demo-

20. The Argentine Painted Faces are right-wing officers with the rank of colonel and lower. The rebels declared their leader to be Col. Mohammed Ali Seineldin, who was one of the key individuals in the three uprisings against former President Raul Alfonsin. Prior to the uprising, Menem pardoned thirty-nine military officers jailed for violating human rights abuses and more than 100 officers who took part in earlier rebellions, claiming that it was necessary to heal old wounds. After the coup attempt, he upheld his earlier promise to pardon the former junta leaders sentenced and imprisoned during the Alfonsin administration. Alfonsin said it was the saddest day of Argentine history. Close to 80 percent of Argentines polled said that they opposed these pardons.

21. The dissident factions represent a small minority of the 50,000-man army. Many army officers simply want to be accepted in Argentine society after the clandestine war and the disastrous experience in the Falklands/Malvinas.

cratic rule, political bickering stymies any attempts at significant reforms, and the economic situation continues to deteriorate.

The recent democratic elections in South America have led many to assume that these countries have finally emerged from repressive military rule and are now fully democratic. This is a dangerous assumption. The newly democratic nations of South America are now entering their most fragile period and need financial, political, and moral support. Of course, most of the responsibility for creating democratic regimes lies with South American citizens and leaders. Nonetheless, the international community can and should aid the process of democratization by relieving Latin America's tremendous debt burdens and opening up markets to products from these nations. Otherwise, the already daunting task of South American democrats will be even more difficult. If the international community does not provide sufficient political and economic assistance, military intervention would not be an impossibility in Argentina or Chile, or even Uruguay.