

# LiberalismTodayFreedomFirst2008

## Latin America



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## The History of Liberalism in Latin America.

Liberalism and democracy are denominations that have had major importance in modern human history. The development of liberalism in Latin America may be broken down into five historical periods:

**1. Period of introduction.** At the beginning of the XIXth century liberalism was introduced in Latin America as a political way of thinking which was highly appreciated by the movements for independence. In this period liberalism arises like an exported idea of the modern countries to get out of the setback experienced in the colonial period.



*The meeting of San Martín (right) and Simón Bolívar (left) in Guayaquil, Ecuador, 26 July 1822, where they took the decision of the liberation campaign of South America against the Spanish control.*

**2. Period of institutionalization.** In a second period in the middle of the XIXth century there is a rise of political movements, whose primary goal is the reduction of the privileges and economic power of the Catholic Church, the strengthening of representative governments and the establishment of rights that assure the free exchange of goods and private property.



*Painting of “Benemérito de las Américas” the President of Mexico, Benito Juárez.*

**3. Period of crisis.** Then there is a long period, from the end of the XIXth century until approximately the middle of the XXth century, where liberalism is drastically limited by certain events, such as armed civil conflicts, the establishment of military dictatorships and the adoption of socialist government systems in several countries of the region.

**4. Period of transformation.** After World War II, due to their protectionist economies and centralistic development schemes, the Latin American countries suffered heavy financial crises, forcing them to ask institutions like the International Monetary Fund, the World Bank or the United States itself for aid, and all of them provided aid in exchange for the transformation of the national economies towards liberal economic systems.



*Porfirio Díaz, México.  
Opponent to liberalism  
in Latin America*



*Augusto Pinochet, Chile.  
Chilean Dictator*



*Fidel Castro, Cuba. Opponent  
to liberalism in Latin America*

*Pictures of social protests and demonstrations against economic liberalization.*



**5. Period of Renaissance.** In the course of the last twenty years, one can say that liberalism in Latin America has been living in a stage of revival along with the development on new theoretical currents about the State, processes of economic liberalization in blocks and the political and social reorganization of pro-liberal and pro-democratic movements.



*March for individual rights in Brazil*



**Practice does not yet represent the political force.**

Liberalism in the region appears as an idea adopted by most of the countries, but the organized forces are still very small, as compared with the application of its ideals. The liberal presence in the region comes along with the proven success in practice that allowed more income based on the development of industry, agriculture and free trade. Before the governments of Lula in Brazil, Tabaré in Uruguay, Néstor Kirchner in Argentina or Ricardo Lagos in Chile, there had been governments who applied the liberal theories based on the unsatisfied needs, in spite of the fact that the International Monetary Fund induced these governments to implement economic adjustment plans for getting new loans, so they started to create the bases for development instead of meaningless talking. The governments of the 1990s had to be restrictive with public spending, to fight the

corruption and to take management measures that allowed the effective control of the activities of the executive. Nevertheless, the Latin American states still are too large, what makes it difficult today to increase the participation of the private initiative in providing these services at the cost of the State, as happened in telecommunications, the great success story of the application of liberal theories.

### **Reasons that explain the absence/weakness of organized liberal forces.**

One can say that liberalism today is still weak in the Latin American region, because the policies and decisions of a liberal character adopted at the end of the XXth century were no serious structural reform that allowed the adoption of a new political scheme for the Latin American countries. The debt crisis of the Nineteen Eighties, along with uncontrollable levels of public spending, continuing devaluations and skyrocketing inflation rates, required emergency measures to avoid the collapse of the American states. Therefore, during the 1990s various liberal measures were taken - more as emergency measures than understood as measures under a general reform that had the support of the actions undertaken by the states.

The reasons of the weak appearance of liberalism in the region can be summarized as follows:

- The pre-eminence of measures of major impact, but of short-term character over a true structural reform.
- A weak legal framework that makes the actions taken even less sustainable.
- In the political field, although there has been significant progress in the positioning of democratic regimes, in some countries they crossed the limits in passing from democracies to systems of an authoritarian and unstable style.

Additionally, today there is an affinity among the majority of mass media towards socialism, whereby other theories and practices that are not liberal are spread better and wider. In addition, the left has the majority of the leaders in social, student and union movements, thus promoting a true fight against the liberal proposals.

### **Problems liberalism is facing.**

In spite of the importance of liberalism in the political, economic and social growth of the countries, liberal thinking is the victim of the evil-disposed criticism by university graduates, politicians and activist who blame it for the main contemporary evils, from extreme poverty up to the environmental degradation. This is the reason why liberalism must remain in a state of defense.

The main problems that liberalism is facing in Latin America may be summarized in the following points:

- Populism. It is easier to sell unrealizable dreams than to take technical measures that benefit all in the long run.

- Difficulty in implementing liberal theses in countries, where liberalism never was implemented, or if so, it was distorted and marked by misunderstanding of what liberal thinking implies.
- The trend of the business people to seek the protection of their particular interests by the State via subsidies and privileges.
- A gigantic bureaucracy, reluctance for giving up privileges, thereby causing a strong increase in public spending by the states in an effort to meet the requirements of these privileges.
- Over-legislation in subjects that sometimes are contradicting each other.
- Short-term social programs in addition to bad education and civic education.

### **Past and recent achievements of liberalism.**

In spite of the many problems, liberalism has been facing in the region, the achievements cannot be ignored. As the first achievements in the XIXth century one could mention the fights for independence of the nations and the formation of the Nation states. In XXth century liberalism allowed better economic development and the integration of the region into the world-wide economy, plans for structural adjustment, reduction of the State and public spending, application of principles of private management of the means of production, more fiscal discipline, integration of the emergent economies into world trade, more participation of the private company, the secularization of the state, more and better guarantee of individual rights, land reforms that allowed a better distribution of land, among others.



However, the state of liberalism in the society of the XXIst century can be summarized as the presence of a capitalist culture that praises the values of consumption, possession and economic success, a culture that very few societies question today. Even more so, leftist or populist governments do not question the capitalist economic models of wealth production (what they question is the redistribution of this wealth).

### **Liberalism in the Future.**

The future challenges of liberalism are necessarily linked with a revision of the recent past, with the intention to position a liberal alternative in the region that has been missing for a long time. Liberalism must foment the creation of organizations (in favor and not in favor) who think about the future of the countries, beyond a short-term victory. In that sense it is necessary to recover the notion of progress, not understood like a center-left position, but in its original concept, as the idea to obtain the progress of the societies, as it has always been

proposed by liberalism.

The Latin American societies are not those of the XIXth century, the demands and needs are different and it is necessary to approach them without prejudices nor ideological blinders. Some think that liberalism mistrusts the State, when proposing its minimization, nevertheless, 90s taught us that the role of the State as a regulator must be recovered, mainly in societies with strong corporations, weak institutions and unstructured civil societies.

A liberal party must again speak to the common people, trying to get rid of years of “bad use” of the name of “liberal”. We are interested in the individual and its life. As liberals we still believe that the triad of Liberty, Equality and Fraternity must be thought together and not choosing one or another, as the case may be. That will help us to come up with credible options against the opposite examples of populist governments, who seem to be on the rise today. If the liberals do not manage to appear like a balanced option, closer to the individual in the street, other ideological spaces will most probably occupy this place again.

