**Neoliberal Disruption and Neoliberalism’s Afterlife in Latin America: What is Left of Post-Neoliberalism?**

**Abstract**

The rejection of neoliberalism in Latin America at the time of the new millennium led to the emergence of a wave of ‘post neoliberal’ governments that sought to renegotiate the relationship between state and market and pioneer new forms of inclusive welfare. Supported by income from an export boom and a commitment to raising taxes, these governments attempted to implement a new economic model which bore some similarities to social democracy, alongside greater emphasis on recognition and identity politics. We ask here what accounts for the difficulties of institutionalising Leftist governance in Latin America and, in so doing, we draw attention to the embeddedness of the idea of neoliberal governance, globally and regionally. Whilst the weaknesses of the Left are real, the return of neoliberalism return, now on the horizon in Latin America, reflects the fact it is the global status quo.

**Key words:** post neoliberal governance; social inclusion; inequalities; neoliberalism; Latin America

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We live in an era of global neoliberalism, or global governance based on ‘a theory of political economic practices which proposes that human well-being can best be advanced by the maximisation of entrepreneurial freedoms within an institutional framework characterised by private property rights, individual liberty, free markets and free trade’ (Harvey, 2006: 145). Neoliberalism, in short, has become ‘the most successful idea in world history’ (Anderson, 2000). But practices of neoliberalism have not been taken ‘off the shelf’ and implemented wholesale everywhere (Blyth, 1997). Instead, local social, political and cultural practices, national institutions and social and labour movements neoliberal policies have given rise to geographically distinct neoliberalisms (see introduction to this special issue). In Latin America, the various national practices of neoliberalism have been shaped by market reforms leveraged externally by the financial and technical support of Washington-based financial institutions, and patterned by the power of local political and economic elites, in the context of authoritarian and weakly democratic states and, at the same time, by social mobilisation and resistance.

Latin America first became a laboratory for neoliberalism in Chile under Pinochet in the 1970s when Europe was still living through the crisis of social democracy. It spread quickly across the region, aided in some cases by authoritarian terror but, more usually, by newly democratic governments in the 1980s and 1990s that had taken office in the midst of severe economic crisis. In some cases governments embraced neoliberalism in office in direct contradiction with their electoral promises as in Argentina in 1989 (Stokes 2001); in others the argument that there was no other alternative prevailed, as with Chile’s centre-left coalition, Concertacion Democratica, a popularly supported left coalition (Navia, 2009). Latin American neoliberalism thus became both a set of tangible policies underpinned by a greater reliance on markets and a wholesale change in the relationship between the state and society based on a generalised and vigorous withdrawal of state in socio-economic life, creating widespread vulnerability and uncertainty in the lives of the poor and those dependent on public provision. The consequences included a loss of faith in governing elites, culminating in the election of ‘new Left’ or ‘post-neoliberal’ governments in Venezuela (1998), Brazil (2002), Argentina (2003), Uruguay (2004), Bolivia (2005), Ecuador (2006), Nicaragua (2007) and, for shorter periods, in Paraguay (2008), El Salvador (2009) and Peru (2011). These governments all promised to begin the task of neoliberal roll-back, focusing in particular in building more effective and more ‘national’ states, immediate relief for those citizens worse affected by neoliberal attrition and a new approach to social spending (Anon 1).

How far this moderate shift towards welfare, in the context of capitalist economies, represents a break with neoliberalism or simply neoliberalism with a human face is the subject of fierce debate (see Leiva, 2008). ‘Post-neoliberal’ governments have not offered a turn to socialism. Only Venezuela constitutes something of an exception to this combination of welfare, state activism (including nationalisation) in the economy, in particular in the lucrative natural resource sector and, in some cases, the introduction of more equitable tax systems (Baker and Greene, 2011). Almost all post-neoliberal governments (again Venezuela here is exceptional) have maintained some core aspects of the Washington Consensus, including fiscal prudence and foreign investment (Hunter, 2007). But Latin American post-neoliberalism also rejected the inevitability of inequality and challenged the neoliberal consensus that inequality is functional for growth. Instead it offered a vision of improving equity, social justice and citizenship. Its appeal to voters lay precisely in the promise to tackle the rising levels of poverty and inequality following decades of neoliberal governance (Londoño and Székely, 1998) and, as we show here, it provided an important critique of the ideational hegemony around the inevitability and timelessness of neoliberalism itself.

We trace the contours of this alternative project here, probe the nature of Latin American neoliberalism’s ‘afterlife’ and ask here what, if anything, remains from it. Did the neoliberal disruptions of the early twenty-first century represent simply short lived resistance or has popular opposition to austerity governance earlier this century and moderate social reform left legacies that will make an unmediated return to the *status quo ante* difficult to achieve? The issue goes to the heart of whether Latin America will succumb to what appears to be a global wave of right-wing neoliberal populism, most visible in Europe and the USA, built on the votes of those who share, as Zizek ([2016](http://inthesetimes.com/features/zizek_clinton_trump_lesser_evil.html)) recently put it, the ‘free-floating’ popular rage that global capitalism increasingly engenders; or whether, on the contrary, regional civil societies will be able to uphold the values of inclusion that have characterised popular opposition to neoliberalism.

**From neoliberalism to the post-neoliberal disruption and the ‘second incorporation’**

Neoliberalism is routinely discussed as denoting a series of economic and social policies that at the national level manifest as a systematic disengagement of the state from the management of the economy. It rests on deregulation, privatisation, fiscal austerity global opening, and labour reform (Weyland, 2004; Huber and Solt, 2004; Birdsall et al., 2010). But more than just a set of discrete policies, neoliberalism was conceived as a recipe to bring Keynesianism to a close. It is, as Harvey (2006) points out, about the restoration of class power, initially to counter working class and leftist mobilisation. This ‘involved the elimination of institutionalised post-Depression and post-World War II policy conventions, like redistributive taxation and deficit spending, controls on international exchange, economic regulation, public goods and service provision, and active fiscal and monetary policies’ (Centeno and Cohen, 2012: 318). Politically, it meant the introduction of measures to discipline society, the working and middle classes in particular, along with the sizable informal sector. The consequences, as has been noted frequently, was to criminalise poverty and marginalise the poor (Oxhorn and Ducatenzeiler, 1998; Wacquant, 2012). But, for Latin America and other countries in the global South, neoliberalism, also rested on a geopolitical reassertion of the West. As Mazower (2012: 346) observed, the rise of neoliberalism has ‘amounted to the construction of an [alternative’] New International Order – mostly made in the US’.

Geopolitical considerations, above all, explain why neoliberalism came early to Latin America. The election of left governments in the 1960s and early 1970s challenged US hegemony and created a series of political crises for local elites and the US. As a consequence, the region was forcibly brought into line by US-backed military regimes that were determined to discipline the region’s ‘unruly’ working classes. Market opening, brutal cuts in public spending and the flexibilisation of labour markets brought to a close the dominant regional development model of industrialisation through state protectionism, weak universal welfare provision, and the (partial) incorporation of the labour movement (Pribble, 2013). The wave of democratisation in the region in the 1980s, achieved above all through the mobilisation of the poor and civil society, did little or nothing initially to halt the tide of marketisation. Instead, low quality democracies were grafted onto societies that had become atomised as civil society movements pulled back from conflict with newly democratic elites for fear of inciting a new wave of repression (Anon 2). Stokes (2001) argues that many neoliberal reforms were introduced ‘by surprise’, via Executive decrees and opaque and undemocratic coalition building and negotiations.

Ferguson (2009) has lamented the extent to which progressive movements have pointed out neoliberalism’s many failings but failed to propose alternatives to it. What is remarkable, then, in Latin America is that alternatives emerged. The various coalitions that make up the region’s new Left – popular rural and urban movements, indigenous and identity movements, especially in the Andes and new political parties – began to articulate a range of alternatives towards the end of the 1990s and won office promising a break with neoliberal political economies (Anon 3). Rooted in anti-austerity protests, claims-making around equality and citizenship rights (Yashar, 2011) and human rights claims for housing, education, water and other services; human rights organisations, post-neoliberal movements gradually won representation at local and national levels. The so-called ‘pink tide’ in the early years of the twenty first century led to the election of leftist governments across much of the region promising more inclusive governance, understood in terms of both identity and welfare, and a more active state in the economy. In short, exactly at the time that much of Europe and North America was implementing austerity in the wake of the 2008 financial collapse, Latin America was electing governments that were seeking to replace neoliberalism - though, as we explain below, not necessarily capitalism.

Not surprisingly, given the diverse political traditions across the region, post-neoliberal experiments are different in political style and policy detail. They range from the controversial Bolivarian revolution in Venezuela under Hugo Chavez and, more recently Nicolas Maduro, governments to movements based on strong indigenous movements in Bolivia and a social democratic-type Frente Amplio (Broad Front) coalition in Uruguay, rooted in trade unionism and strong independent civil society movements. Levitsky and Roberts (2011) speak of the need to distinguish – at the very least – between left-liberal and left-populist post-neoliberalism. Nevertheless, for Chilean economist Alejandro Foxley (2010), the post-neoliberal trend cohered, above all, around a promise for ‘more state’ and ‘less market’, underpinned by an unprecedented commodity boom. As such, all post-neoliberal governments, have implemented tax-and-spend policies and activist social policies along with relatively orthodox monetary policy (Santiso, 2006; Anon 1). It is therefore not surprising that Therborn (2011), describes these governments as *sui generis* variants of welfare capitalism. We too have argued that post-neoliberalism in Latin America is built on a purposive attempt to refocus the economy in order to combine growth, fiscal stability and some moderate forms of income redistribution within the context of capitalist economies, based on a belief in the value of shared risk and public provision (Anon 3; 1). Only Venezuela really attempted a more radical or revolutionary form of governance, purportedly inspired by Cuba (Buxton, 2009); and that has led not only to political crisis but also to an economic collapse on a scale that has reversed earlier gains: the government’s own figures indicate that poverty increased in Venezuela by 34% between 2014 and 2016 alone (Serbin and Serbin Pont, 2017).

With only Venezuela as a partial exception, then, leftist governments did not reject all forms of capitalism. Rather than promising socialism, post-neoliberal governments sought to reform or ‘re-nationalise’ capitalism by using the state to set limits to capital through, for example, increasing taxation and strengthening public sector provision of goods and services, including housing, transport, education and welfare. Their aim was to strengthen the state’s social and economic and subordinate the market to national priorities (Rowland, 2015: 139). As Roberts (2008: 217) note, this reflected as much the democratic institutions of post-neoliberalism – even if those institutions were sometimes flawed – as the moderateness of its economic approach:

the [Left is] operating within the institutional constraints of representative democracy and the structural constraints of market economies to reduce inequalities and promote social citizenship. Stripped to its core, the essence of social democracy is the democratic reform of capitalism in the interest of social justice or equality. And surely, that is what much of the Latin American Left is striving towards today.

This moderateness should not mislead, however, in one important sense: this cautious and middle of the road agenda signified a significant step away from the politics of the 1990s. As Rossi (2015: 2) argues, by bringing to a close an era based on disciplining the poor and a view that citizenship meant the ability to consume (see Oxhorn, 2009), the Left offered, in effect, a ‘second wave of [democratic] incorporation of the popular sectors’, comparable to the 1940s and 1950s. For the poor and the public sector workers, having been excluded politically first by authoritarianism and then by extreme marketisation, this was a seminal moment in which they were, once more, discursively accepted back into the political community as citizens with rights. But while Rossi (2005) emphasises the significance of labour in the remaking of welfare capitalism, we see the social coalition underpinning post neoliberalism as significantly more amorphous. The basis on which citizenship rights of the poor were recognised under post-neoliberalism, we suggest, was different in key respects from the first wave incorporation. In the 1950s and 1960s, labour organisations were accepted by the state as ‘representing’ the poor. By the beginning of the end of the 1990s, however, with only around 21% of the regional labour market employed in industry (CEPAL, 2007; Roberts, 2008) due to decades of labour market flexiblisation and the prevalence of informal work, trade unions lacked the organisation and authority to speak definitively for the poor (Ocampo and Vallejo, 2012). At the same time, movements based on identity, above all indigenous identity, dominate the political landscape in the Andean countries (Van Cott, 2005; Radcliffe, 2015). There was consequently no single constituency, coalition or electorate that the Left could be said to represent – it had to reach out to different social groups. As a result, with the partial exceptions of Argentina and Uruguay, the Left has won office by appealing to quite disparate social communities, and, in Ecuador and Bolivia above all, by mobilising the indigenous vote in the countryside and in the city.

The fact that the Left came to depend on heterogeneous electoral coalitions has had consequences for policy, style and stability once in government. More amorphous and fluid organisational structures meant that is neither strong political parties nor trade unions have been able to assert control. Strong personal and presidential leadership is more usual, in the Andean regions particularly, leading to the re-writing of constitutions to enable reelection. Evo Morales, for example, has been re-elected three times since 2005 and only just lost a referendum in 2016 to allow him to stand for a fourth time. Rafael Correa was elected three times in Ecuador, finally standing down in 2017 only to be replaced by his Vice-president, Lenin Moreno. In Argentina, where the Peronist Party was narrowly defeated in 2015 after more than twelve years in office, government had earlier passed from the hands of Nestor Kirchner to his wife, Cristina Fernandez Kirchner. This dominance of the executive, even at the expense of the social movements that brought the Left into office, has led to increasingly vocal criticisms that it has become intolerant of opposition and dissent (Anon 4).

**Compensating the poor: tax and welfare as well as poverty reduction**

The Left’s electoral successes in Latin America since 2000 rested on the fact that it was able to deliver material benefits and enhanced security for quite different groups of voters through an expansion of welfare. Gudynas (2012) describes this as the state ‘compensating’ the poor through social spending and redistribution for a political economy that remains dependent on the market.

Spending has been paid for by taxation. Traditionally, welfare in Latin America was financed by external borrowing because of difficulties in collecting income tax and taxes on assets and wealth due to non-compliance, tax avoidance, and the need to offer concessions to foreign investors. Tax receipts have therefore been significantly lower than in OECD countries – around 21% of GDP compared to an OECD average of 34.4%, albeit with considerable variation between countries (OECD, 2016). Welfare consequently has, consequently, been limited in comparison with Europe. But Left governments have been able to address the tax deficit due to the steady economic growth that prevailed in Latin America from the end of the 1990s until 2012 due to an extraordinary commodity boom associated, above all, with the expansion of the Chinese economy. They were aided by the fact that a significant portion of the region’s natural resource sector had remained in state hands (for example in Venezuela) despite neoliberalism or brought back, at least in part, into public ownership (as in Bolivia). Even where private sector investment prevailed (as in Argentina) export taxes increased on a scale that enabled tax rates relative to GDP to grow significantly. Of course, the expansion of extractivism as a way of increasing taxes and raising income has been highly contentious because of the impact on the environment and the considerable costs that have been paid by rural and indigenous communities (see Arsel et al 2016, Svampa 2013; 2017). But the heated debate about extractivism has tended to distract attention away from changes that to the tax regime. For not only have post-neoliberal governments raised income by taxing the natural resource sector, they have also reduced the tax burden on the poor and increased tax on personal wealth and unearned income. In effect, the left has treated the tax regime as a way to redistribute income and the shape of tax regime in the region has radically altered (OECD 2016). Income from taxation has reached rates similar to the OECD for the first time in the region – in Brazil for example to 33.4% of GDP and in Argentina to 33.2%. Revenue from personal, as well as corporate, taxes has also steadily expanded relative to income from VAT, with the biggest increases in Bolivia under Evo Morales and Argentina under the Kirchners.

This has meant that governments have been able to extend welfare programmes and increase coverage and reach previously excluded groups. Modes of social policy delivery are particularly distinctive. Rather than dismantling the cash transfer programmes that were typical of the neoliberal era, post-neoliberal governments have – surprisingly to some - opted to extend them, reframing them in the process as mechanisms of income distribution not simply poverty alleviation. No government in Latin America could have afforded to introduce generous universal benefits, even if there had been a demand for them, and ending cash transfers would have had an immediate and detrimental impact on these households, women and children (Lavinas, 2013). Cash transfers had come to represent up to 20% of the income of poor households (Papadopoulos and Velázquez Leyer, 2016) and the political costs of undoing them and transitioning to a different welfare regime would have been enormous, electorally and in terms of living standards, since these programmes have, in fact, been successful in reaching the very poor. In keeping cash transfer programmes, but changing their meaning, then, the Left did not so much’ succumb’ to neoliberalism as make a pragmatic but popular choice.

Cash transfer programmes have become part of wider social investment strategies (Jenson, 2010) based on extending the number of beneficiaries and the range of programmes while reducing elements of conditionality and coercion. In addition to transferring income to the poor, governments have introduced new programmes, for example to provide social insurance and health coverage to informal workers in Argentina and state provision for retired workers without a pension in Uruguay, Bolivia and Brazil (Levy 2015). Other programmes include support for working children and adolescents whose families depend on their income; programmes that reach indigenous communities in the countryside as well as the cities; an ambitious programme of support for people with disabilities in Ecuador, that has received regional and international recognition (PAHO, 2014; Caselli, 2016); child benefit programmes in Argentina; and the introduction of an emblematic care system addressing early years programmes and care facilities for the old in Uruguay (Anon 5). Minimum wages have also been increased – in Brazil, for example from 83$ dollars a month in 1995 to 295$ dollars in 2011 (Ferreira da Souza, 2012). As a result, as Carnes and Mares (2015: 526) note, ‘the contours of the social protection landscape…have become far broader and more fluid than would have been expected even a decade ago’.

Overall, and as a result, in the first decade of this century, inequality as measured through the Gini index fell dramatically (Lustig et al, 2013). The percentage of people living in poverty also fell from 41.6% in 2003 to 25.3% in 2012, whilst the numbers in extreme poverty declined from 24.5% to 12.3% over the same decade (Vakis et al, 2015). In addition to historic reductions in poverty levels, and as a consequence of changes in the distribution of income, improvements in wages and labour conditions across the region, a new middle class is (re)emerging, especially in South America (Penfold and Rodríguez Guzmán, 2014).

**Switching to a slower gear**

The reasons the Left was able to extend welfare and avoid borrowing was the long global commodity boom that lasted from December 2001 until June 2008; on its own, increasing the tax burden on the rich and very rich in the region, though politically important, would never have generated the income required. In Ecuador, commodities and agricultural goods account for 86% of exports, the bulk of which are oil, bananas, and flowers. In Bolivia, 72% of exports are oil, copper, and zinc. Even in Argentina, nearly 70% of export income is derived from commodities, mostly soybeans (Penfold and Rodriguez Guzman 2014). Chinese industrialisation created unprecedented demand for oil, copper, oil, gas, beans, corn and timber, as well as other consumables produced in Latin America (Jenkins, 2012). Between 2000 and 2013 Latin America’s trade with China rose 27% a year, making China became the region’s second largest export market, after the United States (Jenkins and Dussel, 2010). But this boom has become a double-edged sword. The slowdown of the global economy after 2008 – in 2009 Chinese economic growth fell to 9%, and has cooled off still further since then – means that demand for the region’s resources has fallen too.

The situation is not catastrophic, at least except in Venezuela: high commodity prices enabled most governments to save as well to spend, meaning that the impact of the global slow down after 2008 has been less than might have been expected. Latin America is thus threatened not so much by dramatic collapse as reduced growth. After two years of negative growth, the economy is set to expand in 2017 by around 1.5%, although this is considerably less than the 6% that was more typical before 2008 (IMF, 2016). The impact is greater in some parts of the region with the Brazilian economy in particular shrinking by around 3.5% in both 2015 and 2016 (*ibid*). As a result, the capacity of governments to resist spending cuts is weakening year on year and, for the last five or six years, they have faced increasingly difficult decisions about whether to continue to spend (and how to finance spending) and which groups should benefit. Job creation has also fallen. Altogether, there has been no significant reduction in poverty in the region since 2012 and the number of people living in extreme poverty has stayed constant at around 12% since 2007. And, despite considerable spending since 2000, the very poor still lack the income and capital that will enable them to be resilient in these more difficult times. As such, there are real concerns that a ceiling has been reached in terms of reducing poverty and inequality and doubts even about whether the current levels of social protection can be maintained for much longer (Barcena, 2016).

These concerns certainly highlight some of the fundamental fault-lines of leftist governance. First, the decline in poverty was underpinned by robust economic growth between 2002-2012, driven particularly by booming demand for commodities and raw materials exports. But this growth was not ‘distribution-neutral’: the poor, the old and those adversely incorporated into global markets have come to depend heavily on state benefits for protection from markets. Moreover, the extent to which they have become ‘equal’ to their peers with more secure employment is doubtful. As such, despite having gained a foothold out of poverty, their position remains insecure and the steps taken towards more fundamentally equitable societies are far from secure.

Second, and linked to the above, renewed state activism and state spending always sat alongside a strategy for growth based on the export of primary commodities and a regionally distinctive dependency on extractive economies – and exports to China (Jenkins, 2012). Taxes on exports provided resources for spending and (some) industrial growth, but governments failed to address the long-term challenge of how to finance sustainable development. In a sense, Left governance reflected a kind of ‘paradox of plenty’ (Karl, 1997) in which income was spent or saved – but not devoted to the essential task of trying to resolve how Latin America could grow in ways that strengthened equity and pushed the region beyond longstanding conflicts about growth versus the environment, modernisation versus respect for indigenous identities and the place of the state in society. There can be little doubt but that the region should have seized on growth as a way to diversify economies rather than in intensifying extractivism (Svampa, 2013).

Third, the redistributive social policies of the Left, though they changed the daily lives of the poor, failed to realign electoral preferences decisively. In particular, welfare spending has not ended popular and middle class aspirations for more accountable democracies. This means, in effect, that in countries such as Brazil, Argentina and Venezuela, highly polarised politics have gradually weakened the glue that bound the middle classes with the vulnerable and poor in the early years of the twenty first century and the social alliance that took the new Left into office has fallen apart. Taken together, these concerns have created the sense that Left is moving into a phase of exhaustion and is unable to deal with the challenges posed by an era of slower growth (see for example, Levitsky, 2015). The question now is whether this exhaustion is paving the way for the resurgence of neoliberalism.

**The arc of neoliberalism in Latin America: from post-neoliberalism to neoliberalism’s return?**

Centeno and Cohen (2012) rightly argue that neoliberalism is not inevitable. They speak instead of neoliberalism as ‘an arc’ in time and space. They identify its various ‘stumbles’, focusing above all on the crisis at the centre of the global political economy after 2008 and suggest that, despite ‘alternatives’, neoliberal ideas ‘continue to shape post-2008 policy’ (Centeno and Cohen, 2012: 318). The real reason for its survival, they suggest, lies not in its economic achievements, which after all are very few, but in its cultural and political supremacy that leads politicians and societies to make ‘a set of unacknowledged choices’ (*ibid*: 328). Put differently, the hegemony of neoliberalism is embedded in a way that is extremely hard to challenge. So, although the Left rode a wave of civil society dissatisfaction with neoliberalism into office in the early twenty first century and – whatever criticisms we may make of some aspects of governance – succeeded in lessening social inequality, introduced more inclusive policies and fostered more genuinely more diverse societies; it was almost inevitable that, for Latin America, positioned on the periphery of the global political economy, to roll this hegemony back absolutely was a near-impossible task. And indeed the combination of dependence on the global economy, the difficulties of implementing and sustaining an equitable model of growth and the fragility still of the region’s democracies all combined to unsettle and undermine post neoliberalism’s early gains.

The most evident face of post-neoliberal exhaustion is political. Public trust in Left leaders has gradually eroded and in some countries of the region has even run out. This is of course most evident in Venezuela, where Maduro’s creeping authoritarianism was identified as early as 2013 (Negroponte, 2013) culminating in the regional body MERCOSUR suspending Venezuela’s membership because of breaches in democratic practices, a move supported by other left wing governments, including the Broad Front in Uruguay (*El Pais*, 6 August 2017). But elsewhere problems of trust in Left leadership have emerged as well. In Argentina, Cristina Fernandez Kirchner stepped down from office in 2015 and was unable to secure victory for the official her chosen successor, Daniel Scioli, the former governor of the province of Buenos Aires. In Brazil the Workers Party President, Dilma Rousseff, found herself impeached in 2016 by political opponents who seized on the worsening economy to stage a dubious parliamentary manoeuvre to oust the Workers Party from the Presidency. Even in Ecuador, Lenin Moreno, the Vice President of *Alianza PAIS*, the party founded by Rafael Correa, only just won the final round of the 2017 election by a narrow majority of 51%, in a straight run-off with the right-wing candidate Guillermo Lasso.

The problem is not just the inevitable exhaustion of office. Left governments have not been able to separate themselves from the scandals and abuses of power that have typically characterised regional democracies, and indeed regional politics more widely. As a result, the post-neoliberal challenge has gradually become politically tainted. It is undeniable that there have been issues for Leftist governments around transparency in government and a growing intolerance of criticism internally. Whilst all post-neoliberal governments won power (and were re-elected) through transparent and free elections, once in office executive intolerance of opposition has been manifest, with the notable exceptions of Uruguay and Brazil. This has been most extreme in in Venezuela but other Andean governments have also sought to discredit and isolate opponents, especially those who oppose plans to expand the extraction of natural resources (see Ellner, 2016; Conaghan, 2016; Anon 5).

Of course many of these problems reflect wider democratic flaws in Latin America as a whole; they are structural issues rather than vices peculiar to the Left. New democracies designed in the 1980s favoured strong presidents and political systems that have tended to concentrate authority in the hands of executives and encouraged ‘winner takes all’ politics (Flores Macías, 2012). Few incentives were created for governments to cooperate with the opposition – or even for them to cede office since they know that in-coming administrations will almost certainly seek to undo much of what they have achieved. But the Left has not risen above these characteristics, using them instead to shore up its own hold on power, allowing opponents to take advantage of evidence of some quite dubious practices once growth began to slow down. As a result, dissatisfaction with the Left has spread beyond those social groups who have paid the price of redistribution through higher taxes to some middle class voters and even to previous allies in civil society who have found their autonomy under attack. This, combined with corruption, quasi-authoritarianism and demands for loyalty in return for material benefits, has impacted negatively in recent years on the standing and image of the Left at home, as well as abroad, and it has weakened appreciation of the genuine achievements in the social domain that have occurred.

The result has been a rising tide of street protest, though not generally on the scale of the demonstrations that brought the Left to power, with Venezuela, once again, the chief exception here. Still, perceptions of corruption and poor governance – for example around services and transport – have led to an intensification of protest in Venezuela, Argentina and Brazil, especially in the period after 2012, from a cross-class and highly visible opposition. Such protests look at times uncomfortably like manifestations of Zizek’s ‘free-floating’ popular rage: focusing on a profound rejection of the political leadership, these protests hone in on the idea that the Left, like the neoliberal orthodoxy before it, has failed to represent society, benefited from social divisions and failed to consolidate democracy. It is true that, in reality, any judgement about the democratic performance of the Left in government has to be set in the context of a region where – whether governed from the Right or the Left - there is only limited compliance with separation of powers and sometimes even basic political and civil rights. However, with advocates for neoliberalism waiting in the wings to replace the Left (and sometimes now moving into government, as in Argentina), these failings and the growing concerns, within the region and internationally, about the state of freedoms of expression and the right to protest under the Left have created an undeniable sense of gathering crisis.

In this sense, the Left’s problems with civil society, especially in Bolivia and Ecuador but also in Argentina, have proved particularly damaging. The governments of Evo Morales in Bolivia and Rafael Correa in Ecuador have struggled to manage competing identity claims and land rights issues for increasingly vocal and organised indigenous groups, especially at the same time as intensifying the economic model of natural resource extraction. Consequently, despite pioneering the most extensive legal recognition of cultural rights in the region, both Bolivia and Ecuador have in practice dragged their feet when it comes to granting autonomy to indigenous communities (Anon 6). Ecuador became the first country in the world to recognise the rights of nature in its Constitution but, despite this, it has increasingly found itself on conflict with indigenous groups because of the decision to intensify exploitation of the country’s natural resources, even in protected areas.

In sum, the Left is losing office and losing support. And its collapse is paving the way for right wing governments that seek to reverse the social gains made under the Left and restate the ideological hegemony of the market. Neoliberalism is returning, although as yet in a somewhat surreptitious guise and without a clear popular mandate. The neoliberal Right won office in Argentina by appealing for a mass anti-incumbent vote amid allegations of government corruption. In Brazil, a Right tinged even with vestiges of authoritarianism has manoeuvred its way into office. In both countries, with the support of a large-scale finance and media backing, there are reckless and seductive promises being made by new rightist organisations that improvements to living standards will be easy to achieve by reducing inflation and revamping old rhetoric about ‘good governance’ and ‘free expression’ (Petras, 2015).

**What’s left? The legacies of post-neoliberalism**

For over a decade, the new Left in Latin America spearheaded a global challenge to neoliberalism, supported by voters who refused to accept the extreme costs of unregulated markets that were being paid by the poor. Unlike most critics of neoliberalism, the Latin American Lefts were able to propose alternatives and to win office. But that era is now gradually drawing to a close. Nevertheless, there is no evidence of an enthusiastic embrace of markets once again on the part of voters. Undoubtedly, some of the issues that have led to the Left’s loss of office reflect the typical cycles of electoral governance, which at some point will always favour alternation in office. Other issues reflect popular dissatisfaction with governments that have failed to live up to popular aspirations for clean and transparent political leadership. There is not, in other words, a consensus or a new neoliberal project being articulated in Latin America – merely an exhaustion with the limitations and venalities associated with political figures who have perhaps been in office too long. Public opinion data seems to suggest that electoral preferences have, in fact, changed only marginally in fact since the 1990s – there was a decline in support for ‘free markets’ and greater support for various forms of ‘state intervention’ post-2000, but these changes were small (Martinez Baracaldo and Kernecker, 2011). What happened was that the Left won office and set about undoing the neoliberal legacy with the massive and vocal support of those who were paying the highest price for economic liberalisation and state roll-back. But, and almost inevitably, the Left failed to win the argument over the long term in that it could not persuade those who thought differently of the rightness of its views and it was, as a result, unable to pioneer a genuinely national or consensual shift to a more moderate form of capitalism.

In short, the Left was unable to articulate an entirely convincing critique of economic growth based on the global market and the exports of natural resources, or as some would say, of neoliberalism itself. Once in office, not only did governments of the Left governments not end dependence on commodities, they consciously encouraged commodity growth as a way of raising revenue. Now, with the prices of commodities falling - and in the Andean countries especially with few other economically competitive sectors - governments are being forced to continue to intensify exploitation simply in order to maintain income and public spending. Over the long term, the failure to engage in economic diversification of the sort that would, over time, enable a reduction on primary production will probably stand as a Left’s great failure and not only for reasons of environmental sustainability; without economic diversification, it is simply not clear where jobs and stable growth in Latin America will come from.

Nevertheless, the Left in Latin America has succeeded in this: it has established a precedent for successfully putting together electoral coalitions in support of an alternative political economy and it has set out some concrete ways in which the terms of neoliberalism can be redefined through policies for social inclusion, citizenship and new approaches to welfare. As such, Left governments have offered an alternative to the dominant global development agenda by focusing discussion on inequalities of income, class, place, ethnicity, and (dis)ability rather than simply poverty. These are significant achievements. But in so doing, the Left also created something of an economic trap for itself in that funding for new social investments came from natural resources and agriculture. Politically, meanwhile, the greatest disappointment has not been so much the fact that social conflict continued – that is natural in democracy. It is that the Left ignored or even tried to supress inclusion and citizenship struggles that have gradually shifted from the arena of production to disputes over liberal human rights (Anon 4) and nature and the challenges of overcoming extractivism (Svampa, 2017). Out of these contradictions has come a new articulation of Right-wing power in the region. And it is far from certain that the right wing governments now in office in Argentina and Brazil, for example, will respect the social investments of the last fifteen that have generated much-needed improvements in living standards, security and dignity for the poor.

With the political parties of the Left in retreat, it is independent civil society organisations that will, once again, try and hold governments to account and lead social resistance to any attempt to re-introduce austerity. The embeddedness of civil society protest in the fabric of regional politics and the traditions of autonomous and independent civic action in the region mean that the new social entitlements will not prove easy to take away and austerity politics will surely be met with a new cycle of contestation, in defence of citizenship. But still, even if there is successful resistance to the return of neoliberalism, especially in the social domain, the crisis of the post neoliberal project points to an issue of genuine and persistent concern for Latin America, and indeed perhaps more widely around the value and meaning of democracy. In particular, it raises the question of whether it is possible to reach a cross-party or inter-elite consensus over some measure of social and economic redistribution or, whether on the contrary, an entrenchment of socio-economic privilege is still the price that must be paid in Latin America for liberal democracy. As the Left retreats from office, this question, raised initially by democratisation theorist Adam Przeworski (1986, 2011) in the early years of the third wave of democratisation, remains all too sadly pertinent still today.

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