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02



**Political Violence and Inequality
in Latin America During The Cold
War**

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Contents

List of Figures	ii
List of Acronyms	iii
Abstract	1
I. Introduction	2
II. Conceptual and Theoretical Framework	5
2.1. The Notion of Political Violence	5
2.2. The Notion of Inequality	6
2.3. Theoretical Framework: Power Resources Theory	7
III. Political Violence-Inequality Nexus	8
3.1. From Inequality to Political Violence: The Conventional Approach	8
3.2. From Political Violence to Inequality: Latin America in the Context of the Cold War	10
3.2.1. The Cold War in Latin America	10
3.2.2. The Impacts of Political Violence on the Capacity of Political Organization, Mobilization and Participation of Pressure Groups	14
3.2.3. The Evolution of Income Distribution	17
3.2.4. Distribution of Land Holding	21
3.3. The Regime Question as an Alternative Explanation	22
3.4. Economic Explanations of Inequality Trends	27
IV. Political Violence and Inequality: The Cases of Chile, Argentina and Peru	28
4.1. The Chilean Case	28
4.1.1. The Impacts of Political Violence on Power Resources of Pressure Groups	28
4.1.2. The Patterns of Income Distribution	31
4.1.3. Reform and Counter-Agrarian Reform	33
4.2. Argentina	34
4.3. Peru	35
4.4. Chile Argentina and Peru in Comparison	38
V. Conclusions	39
Appendix	42

List of Figures

Figure No.1. A Typology of Mass Political Violence	6
Figure No.2. Events of Political Violence and Number of Deaths in Civil Conflicts in Latin America 1946-1990	13
Figure No.3. GDP Per Capita and Inequality in Latin America 1900-1990 Theil Index Numbers	18
Figure No.4. Inequality of Income Distribution in Latin America 1950-1990 Gini Coefficients	18
Figure No.5. Inequality of Income Distribution and Periods of Political Violence in Some Latin American Countries: 1963-1990 Theil Index Numbers	20
Figure No.6. Variation in Inequality, Political Violence and Regime Type in Some Latin American Countries: 1963-1990	26
Figure No.7. GDP Per Capita and Inequality: Chile 1820-1990	32
Figure No.8. Income Distribution in Chile 1958-1990 Gini Coefficient	32
Figure No.9. Political Violence-Inequality Nexus: Chile, Argentina and Peru in Comparison	39

List of Acronyms

APRA	American Popular Revolutionary Alliance
CIA	Central Intelligence Agency
PRI	Institutional Revolutionary Party
UITP	University of Texas Inequality Project
UP	Popular Unity Coalition
US	United States
USSR	Union of Soviet Socialist Republics

Abstract

This paper is aimed to analyze the relationship between political violence and inequality in Latin America during the years of the cold war. However, contrary to the conventional view in which inequality is assumed as a leading cause of political violence, here it is stated that the question should be reversed. Based on a comparative historical analysis, this research suggests that the harmful effects of mass political violence on the capacity of political organization, mobilization and participation of pressure groups claiming for better socioeconomic conditions, had an important role to play in the increasing patterns of inequality observed in Latin American countries during the period of analysis.

I. Introduction

Inequality has been an ongoing concern for social science scholars worldwide. It is commonly accepted that unequal access of different categories of the population to the basic necessities of human existence constitutes a major issue for social justice. Moreover, it has been stated that entrenched inequality constitutes an impediment for human capital formation, economic development and socio-political stability.

Regarding the Latin American case, this one has historically been one of the most unequal regions of the world. In Harris and Nef's words "because social, economic and political disparities are so ubiquitous, extreme, and widening throughout the Americas, it is possible to argue that inequality should be the main *explanandum* (i.e., focus of explanation) of any intellectual effort that seeks to account for the historical development and contemporary conditions of the Latin American societies" (Harris and Nef, 2008:5).

When looking for possible explanations for this phenomenon, some scholars have remitted to the historical legacies of the Spanish colonial period, the effects of the import substitution industrialization model, the position of the region within the international economic system, or the recent impacts of the neoliberal reforms. However, these perspectives ignore one of the most striking facts in recent history of Latin American: the mass political violence lived during the cold war period. In such period, this region experienced profound changes at social, economic and political levels. It was characterized by accelerated processes of economic growth, industrialization and urbanization, but at the same time, it was a unique time of intensification of violent conflicts and deepening of the rampant levels of inequality.

Under these circumstances, while in the rest of the capitalist world the exceptional rates of economic growth observed during the second half of the twentieth century were accompanied by a take-off of redistributive policies and social reforms, in Latin America similar processes of economic expansion was not translated into social benefits.

Thus, present research paper is aimed to analyze the possible nexus between inequality and political violence lived in Latin America during the cold war period. However, in contrast to the conventional analysis, where inequality is assumed to be a direct cause of political violence, this study argues that in the Latin American case, it could also be the other way around. Accordingly, the main research question this paper will seek to address is, *to what extent political violence lived in Latin America during the cold war period influenced inequality patterns in the region?*

It is hypothesized that political violence, which resulted from the conjugation of the pressures derived from the international ideological polarization, internal conflicts historically unsolved, and the interests of local actors, contributed to increase inequality in the region. In order to account for the political violence-inequality nexus, it is argued that the use of mass violence as a means of dealing with social demands limited the capacity for political organization, mobilization and participation of pressure groups. It allowed some Latin American states to avoid carrying out redistributive policies or reversing previous enabling processes for far reaching social change, having as a result depth and persistent levels of inequality and social exclusion.

In order to evaluate the research hypothesis, this study will be based on the analysis of data obtained from secondary sources such as academic papers on Latin American history, international data bases on political violence and inequality¹, and empirical data provided in secondary literature. Even though this paper is aimed to analyze the evolution of inequality over the cold war, the time period of the study will be mainly focused on the years between 1960 and 1990. This is given the fact that, as will be discussed later, the success of the Cuban revolution in 1959 constituted a breaking point of the Latin American cold war history. In addition to this, the availability of data on income inequality before the 1960s is quite limited.

¹ The criteria for selection of the data bases of political violence and inequality are explained in the Appendix. It also mentions some methodological aspects related to the Theil index, the main income inequality indicator used in this paper.

On the other hand, given the purposes of this study, the analysis will be guided by a comparative historical analysis approach. Specifically, this research will use the method of process tracing in order to systematically identify possible processes and events through which the use of violence could have led to the configuration and reinforcement of inequalities in the region. Moreover, in order to control for alternative explanations (such as the influence of regime type on inequality outcomes), the paper provides an analysis of contrasting cases using the existence/absence method².

Even though inequality issues in Latin America have been widely studied, little has been said about the possible influence of political aspects such as the configuration of a type of state-citizens relationship mediated by the use of violence. Furthermore, the general assumption of inequality as a direct cause of political violence overlooks the fact that the use of violence constitutes in itself a mechanism to shape and define power relations in society. These aspects are considered of crucial importance for understanding inequality. Therefore, by addressing the research question suggested in this paper, it is expected to help fill these gaps in the literature and contribute new insights for understanding inequality in Latin America.

The rest of the paper is organized as follows. The second section starts by introducing the conceptual definitions of political violence and inequality and then presents the theoretical framework that will guide this research. Then, section three turns to provide the analysis of the political violence-inequality nexus. After describing the conventional views on the relationship between these two variables, the paper moves to present the analysis of the possible influence of political violence on the evolution of inequality in Latin America during the cold war. The fourth section provides an in depth analysis of the Chilean case which is considered as an illustrative study case that support the main arguments of this paper. It also provides a comparative analysis regarding the Argentinean and Peruvian cases. Finally, section six concludes.

² For further explanations on comparative historical analysis methods see Goldstone (2003) and Mahoney (2003).

II. Conceptual and Theoretical Framework

2.1. The Notion of Political Violence

As the term indicates, political violence is a type of violence aimed to get political influence. It is motivated to seek power or to maintain its prevalent structures. Here, the notion of political violence will be understood as “the violence directly and purposefully administrated in the name of a political ideology, movement or state such as the physical repression of dissent by the army or the police as well as its converse, popular armed struggle against a repressive regime” (Bourgois, 2001:7). Three elements of this definition are particularly useful to the understanding of violence in Latin America in the years of the cold war: its ideological character, its main actors (states and insurgent groups), and its political motivations.

Additionally, given the different nature of the political violence each Latin American country experienced in the years of the cold war, the two attributes of political violence defined by Kalyvas: its purpose and its production, are considered of critical importance in delimiting the conceptual framework of this study. Depending on the intersection of these attributes, this author defines four categories of political violence (figure No.1).

Figure No. 1
A Typology of Mass Political Violence

Production of Violence	Purpose of Violence	
	Compliance	Extermination
Unilateral	State terror	Genocide & (ethnic) cleansing
Bilateral (or multilateral)	Civil war violence	"Reciprocal extermination"

Source: Kalyvas, (2000:34)

As we will see later, state terror and civil war violence are the categories that better explain the major events of mass political violence in Latin America during the period of analysis. The former is defined as government by intimidation, aimed to alter people’s behavior in some manner desired by the perpetrator. It “involves deliberate coercion and violence (or the threat thereof) directed at some victim, with the intention of inducing extreme fear in some target observers who identify with that victim in such a way that they perceive themselves as potential future victims.” (Mitchell et al. 1986:5; quoted in Kalyvas, 2000:4). For its part, civil wars are usually fought as irregular or guerrilla wars. In contrast to conventional war, these types of wars involve not just two (or more) competing actors, but also civilians, which support constitutes a key factor for the outcomes of the conflict (Kalyvas, 2000:5).

2.2. The Notion of Inequality

Inequality will be understood in its most basic sense as “the distribution of resources across society”. Even though this paper will use conventional indicators such as income and land distribution to assess inequality outcomes, it is important to bear in mind that inequality issues go beyond material considerations and is embedded in broader questions related to the existing political structures, the way in which power is distributed and exercised, the

forms of coercion, and the mechanisms of political organization, participation and mobilization of different social sectors.

2.3. Theoretical Framework: Power Resources Theory

It is widely recognized that in social systems as market economies, the state has a key role to play in addressing undesirable social outcomes as inequality. In fact, the most powerful redistributive tools are in the hands of the states. Moreover, redistributive policies necessarily imply changes in power relationships and its feasibility depends on the political will of those in power as well as the possibilities for the weakest social groups to access to it in order to influence the policy decision making process in favor of their interests. Therefore, the question of states configuration and its implications on power relationships between them and their population constitute a key leading factor of inequality issues.

On the basis of the above, this paper will side with the main arguments of Power Resources Theory. According to this theory, the degree to which subordinated classes are able to organize and effectively mobilize political resources constitutes a key aspect for achieving more egalitarian social and political systems. Thus, “under certain conditions the working classes can use the state as a vehicle to counteract the inequalities of the market. Power mobilization occurs when collectivities that are relatively weak in terms of market resources use political resources to affect the outcome of market conflict. [...]The outcome is a more egalitarian society in which, resources are distributed more equitably and individuals gain the strength for communal action” (Quadagno, 1998:253-254).

In this paper, it is stated that in the Latin American case, the organizational power of those standing to benefit from redistribution (the worker and lower middle classes) were severely restricted by the exercise of political violence. The later limited the capacities of pressure groups to influence policy making processes and therefore contributed to the

reinforcement of traditional structures of power as well as the consolidation of exclusionary power relations among different sectors of society. All of the above would be manifested in the distributive impacts of state policy.

III. Political Violence-Inequality Nexus

3.1. From Inequality to Political Violence: The Conventional Approach

The assumption that high levels of inequality and social exclusion fuels discontent and unleashes conflict is common place in academic literature and political debates. From such view, it is argued that the motivations of political violence have a close relation with unequal patterns of income and land distribution. However, the extent to which the maldistribution of resources constitutes an important direct cause of political violence has been widely debated.

On the one hand, regarding land distribution, some scholars have argued that in agrarian societies the discontent derived from highly concentrated distribution of land constitute the most important cause of mass political violence. Under this view, authors as Huntington point out that “where the conditions of land-ownership are equitable and provide a viable living for the peasant, revolution is unlikely. Where they are inequitable and where the peasants live in poverty and suffering, revolution is likely, if not inevitable” (Huntington, 1968:375; quoted in Muller and Seligson, 1987:427).

In the same line of argument, the works by Mildarsky (1982) and Mildarsky and Roberts (1985) conclude that societies, in which rapid population growth exacerbate land inequality until a level of deprivation that cannot be tolerated, have experienced high levels of political violence. Such are the cases of China, Russia, El Salvador and Nicaragua.

Additionally, in relation to the Latin American case, Kay (2001:743) points out that the inequality-political violence relationship has been strongly linked with land holding maldistribution. According to this author, “rural

violence has multiple causes and many facets, but [...] without endeavoring to solve the land problem, rural conflicts and violence cannot be fundamentally resolved”.

However, the land distribution hypothesis has been widely contested. One of the main arguments is that, it is a mistake to conclude that political violence constitutes an unavoidable result of highly concentrated land distribution. This is due to the fact that discontent of peasants in itself is not a sufficient condition in order for them to be able to exert violence. It also requires certain levels of capacity of organization and mobilization of dissident groups which, is more difficult to find in peasant communities than in urban areas (Muller and Seligson, 1987).

From this view, it is maintained that it is the inequality of income distribution rather than land maldistribution what can be considered an important direct cause of political violence. Based on the statistical results of their cross-national multivariate model, Muller and Seligson (1987:427) argue that “if income inequality is relatively low, the rate of political violence will tend to be relatively low, even if the agrarian inequality is relatively high; whereas if income inequality is relatively high the rate of political violence will tend to be relatively high, even if the agrarian inequality is relatively low”.

However, the income inequality-political violence hypothesis has also been challenged. The work by Mildarsky (1988) demonstrates that land inequality has a far stronger relationship with political violence than more generalized but less context-specific measures of income inequality as the Gini index. Moreover, as Muller himself mentions, income inequality does not affect political violence independently of the level of economic development (Muller, 1985:57).

Finally, Powell finds a non significant correlation between inequality and political violence. According to him, whatever the attractiveness of the theories associated with it, the measures of income inequality simple do not help to explain violence (Powell, 1982:52).

To sum up, there is no consensus in the academic literature about the effects of economic inequality on political violence. Therefore, the answers of the questions of to what extent more unequal societies are more likely to experience episodes of mass political violence, as well as the relative importance of the types of economic inequality in leading violent conflicts, seem to remain ambiguous.

3.2. From Political Violence to Inequality: Latin America in the Context of the Cold War

In spite of the lack of consensus about the effects of inequality on political violence, all the studies previously discussed share a common aspect: the assumption of inequality as being a causal factor of political violence. However, as stated before, the political violence experienced in Latin America during the cold war period could be considered as a determinant factor in the depth and persistence of inequality and social exclusion in this region. But before continuing with the analysis, it is necessary to discuss the political context of the cold war and its influence on the development of the main events of political violence that took place in Latin America.

3.2.1. The Cold War in Latin America

The cold war constitutes an exceptional time in which the environment of peace and political stability lived in the developed world, contrasted with violent intrastate conflicts in developing countries. Latin America was not the exception. Although, since the very moment Latin American countries gained their independence this region has been characterized by intense social struggles, the cold war was a remarkable period of exacerbation of political violence. The ideological disputes between the two superpowers competing for achieving world hegemony had an important role to play in stoking conflict in the region.

In particular, the success of the Cuban revolution in 1959 constituted a breaking point of the Latin American cold war. From the one side, it implied significant changes in the U.S. foreign policy towards Latin America. After the Cuban revolution “the cold war emerges as significantly distinctive in US relations with Latin America because ideological considerations acquired a primacy over US policy in the region that they had lacked in earlier moments. [...] In its subsequent conduct of the key aspects of its policy towards Latin America, the US government often behaved as if it were under the spell of ideological demons” (Domínguez, 1999:33).

As a consequence, the US government exerted increasing pressure to stop reformist movements of any type that could be identified with communist ideas. This ideological crusade against communism was mainly manifested in two ways: Firstly, the US supported the overthrow of Latin American governments that in its concept were considered a threaten given their proximity with socialist ideas or because they were judged as being too weak for adopting radical measures against communist and popular movements (Bethell, 1997:103). For instance, in the mist of the anti-communist fever the US supported violent military coups and repressive regimes in countries as Guatemala, Bolivia, Chile, Argentina, Brazil, and Uruguay. Given the high levels of repression exerted by their respective governments, the political violence lived in these countries can be classified as state terror according to Kalyvas’ categories³.

Secondly, in order to strength counterinsurgency operations in countries where communist guerrillas emerged, the US government supported its allies in the region through the deployment of military forces and generous military assistance (Domínguez, 1999:46). Thus, since the 1960s, the US has supported military capacities in countries like El Salvador, Venezuela, Nicaragua,

³ It is important to mention that in some cases described as “state terror “ there were also the presence of armed rebel groups, as “Montoneros” and “ERP” in Argentina, rural armed groups in Chile, and urban guerrillas in Brazil. However, their fighting capacities did not constitute a major challenge to the high levels of state repression. Conversely in the cases of civil war, strengthened military capacities of insurgents and states were both present. In what follows the terms “state terror” and “state violence” are used indistinctively.

Colombia and Peru. All of these constitute examples of the civil war type of political violence.

From the other side, after the Cuban revolution the scarce interest of the Soviet Union towards Latin America during the early years of the cold war, turned into increased alliances with insurgent groups inspired by some type of Marxist political agenda. The Soviet Union gave material and ideological support, as well as military doctrine to communist guerrillas in this region (Kalyvas and Balcells, 2010:420). Consequently, the expectation of having military support from a superpower combined with the success of the Cuban revolution led by a rural guerrilla, contributed to a process of radicalization of Latin American leftist movements.

To sum, at the macro level, the heaviest years of the cold war in Latin America were characterized by the increasing rivalry between the US and the USSR to gain or preserve ideological influence towards the region. At the local level the ideological competition of the cold war was translated into strong ideological polarization of Latin American left and right-wing social forces. The resulting escalation of mass political violence was backed by the fact that the military capacities of both, states and opposition groups, were strengthened through economic and military support received either from the US and the USSR.

As a consequence, the years 1960-1990 constituted the period of most intense and widespread political violence lived in Latin America. As shown in figure No.2, even though during the whole cold war period there were episodes of political violence in the region, the number of conflicts as well as its duration and intensity rose significantly since 1960. By contrast, leaving aside the continuation of the Colombian conflict, after the end of the cold war the only emerging case of political violence in corresponds to the conflict in Chiapas (Mexico) between 1994 and 1997.

Figure No.2

Events of Political Violence and Number of Deaths in Civil Conflicts in Latin America 1946-1990

Country	Political Violence Period	Number of deaths
1946-1960		
Bolivia	1946 and 1952	3.000
Paraguay	1947	1.000
Colombia	1948-1960	251.000
Guatemala	1954	1.000
Costa Rica	1948 and 1955	3.000
Argentina	1955	3.000
Cuba	1957-1959	5.000
Venezuela	1958	800
1960-2011		
Dominican Republic	1965	3.000
Guatemala	1966-1996	150.000
Honduras	1970-1990	1.000
Chile	1973-1990	25.000
Colombia	1975-2011	55.000
Argentina	1976-1980	20.000
Nicaragua	1978-1990	70.000
El Salvador	1979-1992	75.000
Brazil	1980-1999	1.000
Peru	1982-1997	30.000
Mexico	1994-1997	1.000

Source: Monty G. Marshall. <http://www.systemicpeace.org/warlist.htm>

Although in what follows some references to the cases of civil war will be mentioned, for the purposes of this study, the analysis will be mainly focused on the “state terror” type of violence. This is given the fact that in the contexts of state violence, tracing its impacts on political mobilization and organization of opposition groups is more straightforward than in situations of civil wars where the use of violence goes from the state to insurgencies, from insurgencies to the states and from both of them to civil population. Moreover, the scale and intensity of violence in dyadic conflicts varies greatly from case to case, all of the above implying much more complexities for the analysis of the state-citizens relationships. Given the length and the scope of the present paper, such topic is left for further research.

Having said this, the next sections will focus on the analysis of the repercussions of political violence on the processes of alliance formation, capacity for communal action and political organization of subordinate classes and how such outcomes would in turn be reflected in income and landholding disparities in the region.

3.2.2. *The Impacts of Political Violence on The Capacity of Political Organization, Mobilization and Participation of Pressure Groups*

When some social sectors demand redistributive reforms, it is difficult to imagine how this can be done without political power. However, in the Latin American context, the cold war period was characterized by a dialect process of strengthening of leftist forces and opposition groups, and later on efforts aimed to destroy them; enhanced possibilities for more inclusive political systems, and the posterior reinforcement and establishment of closed and exclusionary ones; and experiences of reformist waves followed by repressive counter reforms. The mass political violence unleashed during the decades of 1960s, 1970s and 1980s helps us to account for such patterns as well as its repercussions on distributional outcomes.

To start, it is important to mention that the end of the Second World War marked a breaking point in most of the Latin American political systems. The allied victory was seen as a victory of democracy over fascism and influenced the strengthening of democratic systems as well as the capacity of organization and mobilization of leftist sectors in the region. Following Joseph (2008: 20) “the years linking the end of the World War II and the beginning of the cold war constituted an effervescent and critical conjuncture. Democracy took a pronounced *social* flavor coming to mean a commitment to popular, more particularly working-class participation in politics, and social and economic improvements for the poorer sections of the population”.

For instance, at the end of the Second World War a number of political parties, such as Democratic Action in Venezuela, APRA (American Popular

Revolutionary Alliance Americana) in Peru, Peron's Justicialist Party in Argentina, and PRI (Institutional Revolutionary Party) in Mexico, which were sought to extend participation and promote economic and social reform came to power or at least to a share of power for the first time. Additionally, "after years of weakness, isolation, and for the most part illegality, many Communist parties reached the peak of their power and influence in this period. [...] Total membership, less than 100.000 in 1939, had reached half a million by 1947" (Bethell and Roxborough, 1995:300).

Added to this, Latin America experienced an unprecedented militancy within organized labor. Miners, factory workers, and some rural labours organized and joined unions. Bethell and Roxborough (1995:301) estimate that by 1946, between 3.5 and 4 million workers were unionized in the region as a whole.

To sum, the first half of the twentieth century was characterized by major social mobilization processes, the emergence of labour as a new political actor, and increased incorporation of broad-based social movements and progressive political coalitions into the political systems of most Latin American countries. This was a time of "considerable popular pressure from bellow, especially from the urban middle class, intellectuals and students, but also from the urban working class, for a more open political future"(Bethell and Roxborough, 1995:298). That was precisely the time when the most far-reaching redistributive policies were introduced in Latin America over the 20th century.

Nevertheless, after the Cuban revolution, such political landscape radically changed once the ideological polarization of right and left-wing forces reached its peak. The entrenched elites and traditional powerful sectors which felt that the democratization process had gone too far and feared losing power, found in the enabling environment of the cold war an exceptional opportunity to justify and legitimize the use of violence to address social cleavages.

In this context, scholars studying the Latin American cold war concur in signaling the devastating effects of the use of violence on the processes of political organization and mobilization of social groups and opposition sectors.

For instance, Joseph (2008:5, 27) argues that “not infrequently, Latin American states used a Cold War rationale, generated outside the region, to wage war against their citizens. [...] The cold War terror silenced demands for economic justice, hollowed egalitarian content from post-war democracy, severed alliances between reforming elites and popular classes and used repression to reduce powerful collective movements to individual survival strategies”.

For its part, Bethell (1997:111) points out that, violent regimes, especially in Argentina, Brazil, Chile and Uruguay, were decided to eliminate any political movement that threatened their authority. Unions were reduced to inefficacy, political parties were either banned or controlled, and mass media were also under government control.

Consequently, in most Latin American countries, urban working class, traditional peasants, indigenous peoples, Afro-Latin Americans, rural workers, small farmers, landless former peasants and lower sectors of the salaried middle class, and large “lumen proletariat” (that taken together represent anywhere from one to three-quarters of the population), continued to be, for all intents and purposes, disenfranchised since popular interests were not effectively represented in or by the state (Harris and Nef, 2008:18).

Under these circumstances, following Harris and Nef’s work, (2008:18-19) “past efforts to organize and unite these sectors and classes for the purposes of representing their interests in the centers of state power have proved politically difficult and quite dangerous. [...] The militant working-class and radical peasant movements of the 1960s that were ruthlessly repressed have not returned to the contemporary political scene”.

To conclude, the increasing ideological polarization and the resulting violence that characterized the period of the cold war constituted an enabling circumstance to repress any kind of opposition movement, to restrict the mechanisms of participation, to limit collective action and socio-political inclusion of pressure groups, and to avoid carrying out structural social reforms that could jeopardize the interests of those who had historically held control over economic resources. Such outcomes can be understood not only because of

the nature of authoritarian regimes in which the mechanisms of participation are severely restricted (this point will be discussed in section 3.3), but also and more important, because of the fact that being murdered, tortured or exiled constitute the most extreme ways of preventing and destroying current or future processes of political organization and mobilization. Not surprisingly, the consolidation of such highly unequal and exclusionary political systems reflected in the patterns of income distribution and land holding inequalities, as the following sections will show.

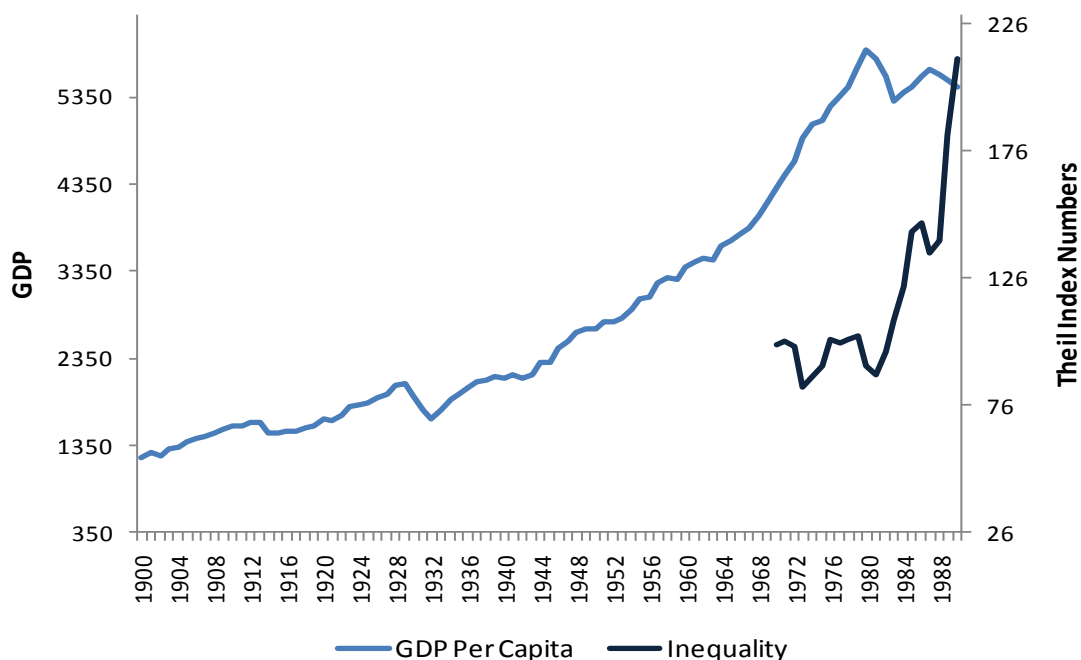
3.2.3. *The Evolution of Income Distribution*

Besides the political changes already discussed, the post-World War II was period of remarkable economic growth rates in Latin America, which in most of the cases reached their peaks over the seventies. For instance, the average GDP growth rose from historical rates of about 1% or 2% in previous years to 3,2% in that decade. In some countries as Chile, Colombia, Brazil, and Mexico the annual economic growth rates ranged from 5% to 8%⁴. Later on, this trend was reversed as a result of the debt crises and the exhaustion of Import Substitution Industrialization model.

However, for what it concerns income distribution, it is clear that such records of economic growth did not reach the least favored groups. By the contrary, as shown in figure No.3, the years of faster economic progress, constituted at the same time a period of increasing inequality of income distribution. In addition to this, figure No.4 presents the Gini coefficients available for some Latin American countries for the period of analysis. It shows the high levels of income disparities within these countries as well as a general increasing trend between the 1950s and 1980s.

⁴ Calculations based on Maddison's data on historical statistics for the world economy.

Figure No. 3
GDP Per Capita and Inequality in Latin America 1900-1990
Theil Index Numbers*



* Calculations set as index values with 1970 or first available year =100.

Sources: Maddison (2007) and UITP (Galbraith and Purcell, 2001). The figures include data from Argentina, Brazil, Chile, Colombia, Mexico, Peru, Uruguay y Venezuela.

Figure No. 4
Inequality of Income Distribution in Latin America: 1950-1990
Gini Coefficients

País	1950	1960	1970	1980
Argentina	39,6	41,1	41,2	47,2
Bolivia	n.a.	n.a.	n.a.	53,4
Brazil	n.a.	57	63	61,9
Chile	n.a.	48,2	50,5	52,6
Colombia	40,3	42,7	53,9	52,5
Mexico	55	60,6	58,6	51,9
Peru	n.a.	n.a.	48,5	43
Venezuela	61,3	46,2	49,4	42,1
Average	49,1	49,4	52,2	50,6

Source: Guirao (2010). Global Political History, lecture notes fall 2010, IBEL.

Furthermore, when taking a closer look at these phenomena in some Latin America countries, it can be seen from figure No.5 that in the majority of cases the most prominent worsening of income inequality started with the major episodes of political violence⁵. Measured by the Theil Index Numbers growth rate, during the years of political violence inequality rose by 31% in Argentina, 68% in Brazil, 77% in Nicaragua, in Uruguay and Chile it roughly tripled, and in Peru inequality was about four times higher in 1990 compared to the same figure in 1980. Even more, except for the Brazilian case, the exacerbation of political violence and increasing income disparities, typically followed previous decreasing (or stable) inequality trends.

Paradigmatic cases of state terror as Chile and Argentina will be discussed in the following section. However, from the data presented in figure No.5, it is important to note that in Nicaragua and Peru during the eighties, where the violence took the form of dyadic armed conflicts between states and insurgent groups, political violence was also accompanied by increasing patterns of inequality. Based on these observations, it seems safe to say that regardless the type of violence (state terror or civil war) the later could have a negative influence on distributional outcomes.

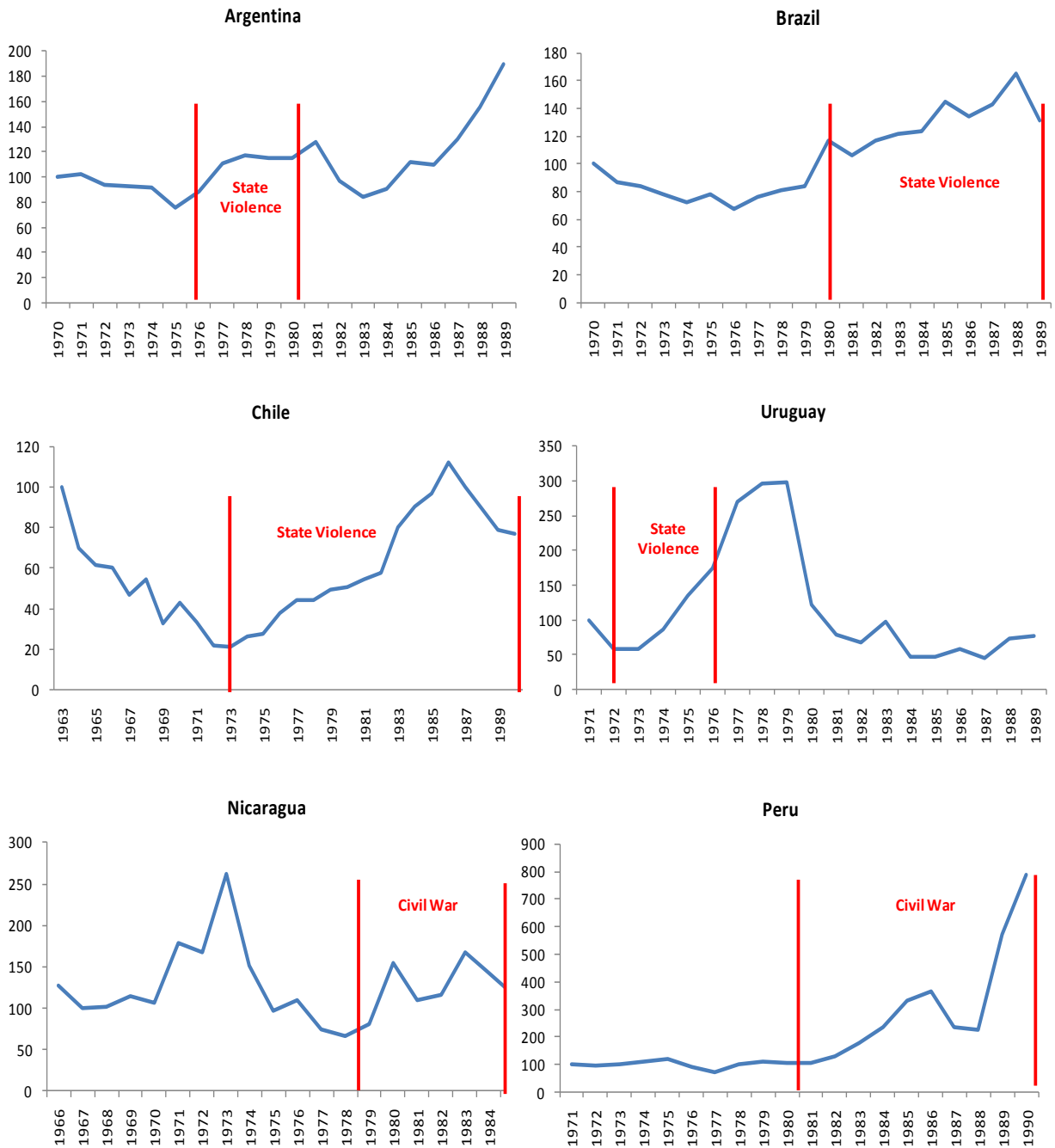
To sum, on the basis of the data presented in this section, some striking aspects of the Latin American experience are worthy to be mentioned: Firstly, if one accepted the conventional approach of inequality-political violence nexus, it would be hard to explain situations as the ones described here, where political violence seems not to be a result of exacerbated inequality patterns, but instead, a consequence of significant improvements of income distribution. Secondly and most important, in the line of the main argument of this paper, the use of mass political violence can be seen as an important influencing factor of inequality trends. The mechanism behind would be the negative influence of violence on the capacity of organization and mobilization of pressure groups.

⁵ Even though Uruguay is not mentioned in figure No.2, this country experienced extreme state repression against civilians from 1973 to 1976.

Figure No. 5

Inequality of Income Distribution and Periods of Political Violence in Some Latin American Countries: 1963-1990

Theil Index Numbers*



* Calculations set as index values with 1970 or first available year =100.

Sources: Galbraith and Purcell (2001), UTIP-UNIDO <http://utip.gov.utexas.edu/data.html>,

Monty G. Marshall <http://www.systemicpeace.org/warlist.htm>

3.2.4. *Distribution of Land Holding*

The historical conflicts over land ownership have been crucial for the analysis of inequality as well as the configuration of political and economic structures in Latin American societies. In the cold war context, peasant movements claiming their rights over land property, constituted the focal attention of socialist revolutions in periphery countries. “Rightly or wrongly the Cuban revolution was interpreted as a largely agrarian revolution in which the peasantry played a prominent role” (Kay, 2001:745). Thus, given the fear that the Cuban example was followed by the emergence of new peasant insurrections and insurgencies in Latin America, the US launched the Alliance for Progress, an initiative aimed to foster the modernization process of this region. Such initiative included a series of programs in order to encourage Latin American governments to undertake agrarian reforms.

In fact, under such initiative some Latin American governments carried out land reform programs. Nevertheless in most of the cases they were incipient or later on reversed by the violent regimes supported by the US government itself. To this respect, Kay (2001:766) points out that “when governments did initiate some land redistribution, landlords often managed to block the agrarian reform and in some instances were even able to [...] regain part or all of their expropriated land often using violent means either directly by employing hired gunmen, using paramilitary organizations or relying on the repressive power of the state”.

Thus, the contradictions of agricultural policies added to the violence associated with peasants struggle constituted major impediments for reaching a meaningful transformation of the historical unequal patterns of land tenure and use in Latin America. As Kay (2001:743) expresses, “the irony and tragedy is that, although the peasantry often paid a high price in terms of loss of life, injury, displacement and economic hardship for their participation in these major transformations, they rarely achieved their desired objectives”.

Consequently, following Centeno and Hoffman (2003:369) “land tenure patterns remain medieval throughout [Latin America]. In practically all countries, the agricultural elite has retained deep levels of political and social power”.

3.3. The Regime Question as an Alternative Explanation

One more important point that needs to be taken into account is the possible repercussions of the regime type on the described evolution of inequality. Some could argue that the exacerbation of inequality during and after the period of political violence in Latin America could be better explained by the distributional consequences of dictatorships and authoritarian regimes that characterized the political systems in this region, rather than by the possible influence of the use of political violence.

From this perspective, it would be argued that the trends of inequality observed during the sixties, seventies and eighties in Latin America constitute a logic consequence of the establishment of non democratic regimes because, whereas “in democratic systems all individuals can vote to manifest their preferences about the ideal distribution of assets, in a dictatorship only the preferences of part of society are taken into account to decide the final distribution of assets” (Boix, 2003:10).

For instance, when analyzing the relationship between inequality and democracy, Boix (2001: 54) finds that “those that oppose democracy oppose it for its distributional consequences and have the same incentives to block any reformist program directed to create social preconditions for a successful democracy”. Consequently, he points out that there is a negative relationship between income inequality and democracy, or viewed from the opposite side, a positive relationship between income inequality and the establishment of non-democratic regimes.

In addition to this, according to his view “in economies of either, relatively moderated levels of income inequality or highly mobile assets, the

political mobilization of the lower working classes [...] should precipitate the introduction of a democratic regime. The relative costs of repression [that the holders of the most productive assets would have to bear to exclude the majority of citizens] (compared to the tax losses due to democracy) rise to a point which it is rational for the authoritarian elite to give way to democracy" (Boix, 2003:13).

However, these arguments do not seem to fit within the experience of some Latin American countries. In the first instance, it is important to note that, in spite of the fact that the major events of political violence and increased inequality took place under repressive regimes which gained power through non democratic mechanisms, during the Latin American cold war, there were also examples of non democratic and authoritarian rules which actively promoted, instead of blocking redistributive policies. Even though it is generally assumed that authoritarian regimes do not mobilize the population or bring waves of social change, the cases of Argentina under the rule of General Juan Domingo Peron and the General Velasco's government in Peru challenge such view.

In Argentina, Peron became president by taking advantage of the enormous popular support that generated the social reforms he led from his position in power during the earlier "military revolution". In spite of the fact that Peron gained access to power through democratic elections his government could be hardly described as being a democratic one. His rule turned into a variety of populist-democratic authoritarianism, characterized by strong and centralized leadership, state press control, restricted independence of the judiciary, lack of inclusive and competitive parties, and even more, the limited influence that Peron himself allowed for the coalition forces that supported his road to the presidency (Lynch et al.,2001:226).

Nevertheless, his political project was aimed to carry out a reformist agenda in order to improve the welfare of the working class under the banner of nationalism, anti-imperialism and social justice. Under Peronism, the economic policy put in practice had among its major objectives the

strengthening of the role of the state over production and distribution as well as influence on relative prices in order to promote a more equal distribution of national income (Lynch et al., 2001:227). Such measures, accompanied by an increased union activity (the unionization rate reached levels around 50 to 70 percent), resulted in a progressive redistribution of income. Just in three years, real wages rose by more than 40%, there was a significant expansion of pension systems as well as labour benefits, and increasing public funds were assigned towards social welfare policies (Lynch et al., 2001:228).

Regarding the Peruvian case, according to Bethell (1998:175-176), the coup d'état of 1968 led by the left-leaning General Velasco, constitutes a unique case of military reformism in which revolutions were conducted by the general staff. In fact, under Velasco's rule, the most significant initiative was the preparation and implementation of an agrarian reform law which constituted the key stone of social change.

This reform "was intended to reduce the dualism of Peruvian society, to render it more fluid by destroying the landed foundations of the great oligarchical families" (Bethell, 1998:176). The redistributive measures over land were complemented by the formation of various types of agricultural co-operatives that benefited one fourth of the rural population. On the other hand, Velasco's government decreed laws that called for the nationalization of oil and worker's participation in the ownership and management of industrial concerns (Keen and Haynes, 2009:412).

The achievements in terms of distributive improvements derived from such "revolutionary" experiment have been highly questioned. However, whereas during the time of the military regimes of the 1970s, Peru presented a stable trend in inequality and the wage structure, after the government returned to a democratic rule in the early 1980s "inequality began a meteoric rise which continued until President Allan García briefly but unsuccessfully tried to force it back down" (Galbraith and Garza, 2001: 219).

From the above, if the conventional arguments of the democracy-inequality theory applied to the Peruvian case, the military dictatorship should

have increased inequality, whereas the transition to a democratic system should have resulted in equality improvements. But, the opposite was the case. Whereas the increase in inequality was absent under the military dictatorship, it raised at accelerated rates once democracy was established in the eighties. It needs to be mentioned that such decade constituted at the same time the harshest period of political violence in Peru.

In the second instance, contrary to Boix's predictions, in some cases as Argentina, Chile and Uruguay previous efforts of political mobilization of the lower working classes and its consequent achievements in terms of inequality reduction, triggered military coups and authoritarian regimes instead of encouraging the establishment of democratic systems. Such processes of repression and the costs they implied could be assumed given the enabling conditions of the international ideological polarization and the external support received from the US, without which, such repressive mechanisms barely could have taken place in the scope and magnitude they did.

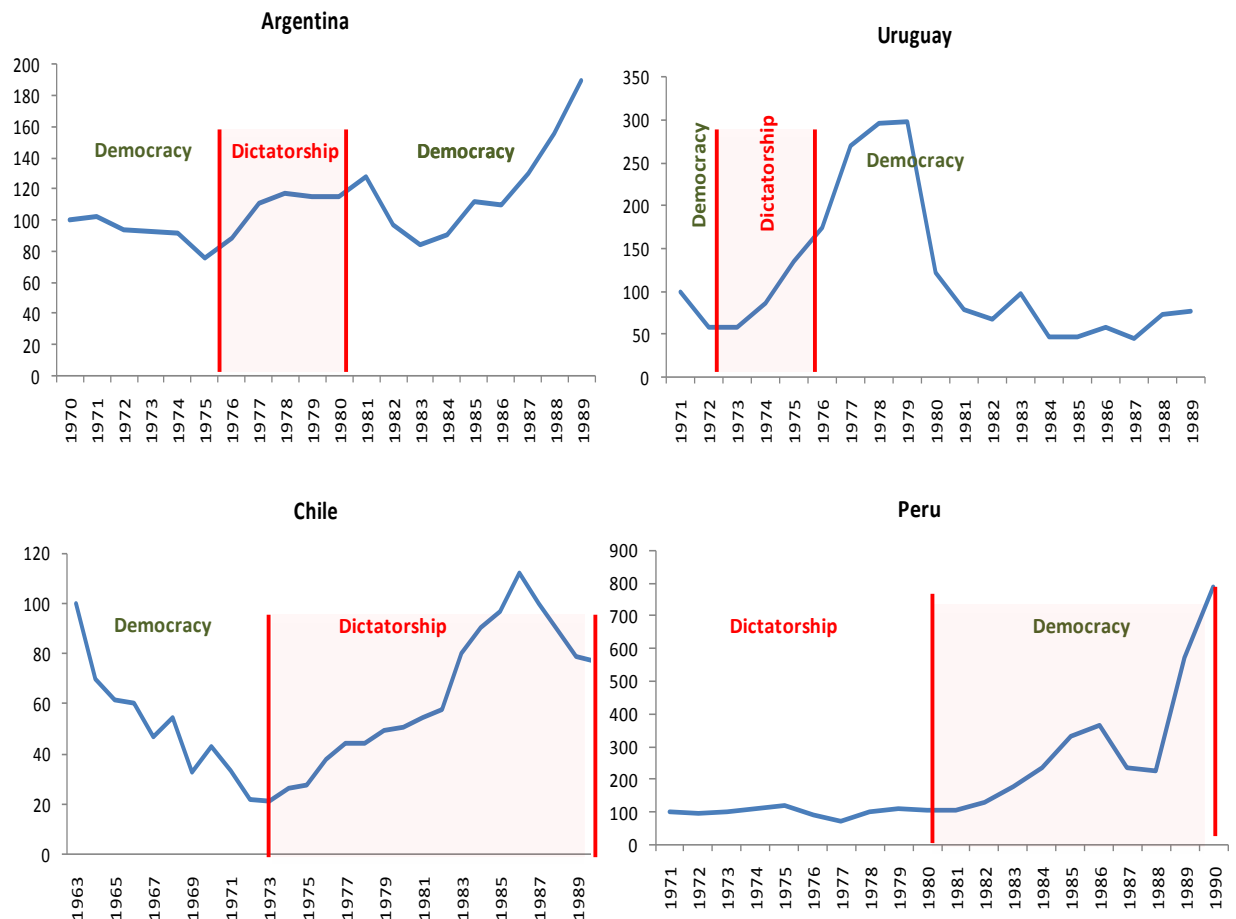
Finally, the return to democracy in most of the Latin American political systems was not necessarily accompanied by distributional improvements. In Peru (1980), Argentina (1983), Uruguay (1984), Brazil (1985) and Chile (1990), the military withdrew from power. However, except for the Uruguayan case, in all of these countries, high and rising levels of inequality remained after democratic regimes were established (figure No.5).

To sum, contrary to the common view, Latin America has experienced coups d'état and authoritarian regimes that intended to be revolutionary in the social sense. Thus, authoritarianism does not necessarily go hand in hand with inequality. Of course, it is important to mention that such attempts of non democratic reformism have often come to an abrupt halt and brusque regressions, as the posterior military coups in Argentina and Peru demonstrated. But, these facts should not lead us to ignore the existence of progressive authoritarian regimes in Latin America.

In conclusion, it can be argued that inequality outcomes observed in the region during the cold war period could not be accurately understood just as a

matter of the regime question. Figure No.6 offers an overview of the main aspects previously discussed.

Figure No.6
Variation in Inequality, Political Violence and Regime Type in Some Latin American Countries: 1963-1990



Sources: Galbraith and Purcell (2001), UTIP-UNIDO <http://utip.gov.utexas.edu/data.html>,

Monty G. Marshall <http://www.systemicpeace.org/warlist.htm>

Country	Period	Variation in Inequality	Political Violence	Regime Type
Argentina	1970-1976	-	no	Democracy
Chile	1963-1976	-	no	Democracy
Uruguay	1970-1973	-	no	Democracy
Peru	1970-1980	Constant	no	Dictatorship
Argentina	1976-1980	+	yes	Dictatorship
Chile	1973-1990	+	yes	Dictatorship
Uruguay	1973-1976	+	yes	Dictatorship
Peru	1980-1990	+	yes	Democracy

3.4. Economic Explanations of Inequality Trends

Economic explanations associated with the impacts of the debt crises, the decline in GDP percapita and the structural adjustment reforms of economic and social policy guided by neoliberal policies during the 1980s, are common arguments to account for the recent trajectories of inequality of income distribution in Latin America. However, besides the international pressures and scarce bargaining power of Latin American Countries to International Financial Institutions (even more in the face of the economic downturn), the design and implementation of adjustment reforms required the decision and political willingness of local heads of policy making. Therefore, the negative effects of the neoliberal reforms on inequality are a result of political choices that enabled their adoption. As Matthew (2005: 163) rightly points out “rampant inequalities within the international system, plus concerted attempts by the International Monetary Fund and the World Bank subjugate traditional lifestyles to market institutions, all sustain possible narratives of victimization. However, such narratives often suggest that it is the market itself that creates inequality [...]. This, though, is a serious misattribution of causality. It is not the market per se that generate such effects, but human agents operating within the context of market relations. To identify ‘the market’ as the cause of socially regressive outcomes runs the risk of depoliticizing the whole issue”.

Following the arguments made here, it can be stated that the exertion of political violence against opposition groups as a way of impeding them to take part in the political systems and eliminating their capacity for communal action, contributed as an enabling circumstance for the adoption of counter reformist measures guided by the market fundamentalism. The cases of Argentina and Chile on the one hand, and Peru in the seventies on the other, can be considered illustrative to this point as the following section will show. This is not to undermine the role that economic aspects such as the neoliberal reforms had on the rise of inequality in the region, nor to say that the events of political violence constitute in itself a sufficient or the most important explanation to account for

such phenomenon, but rather that the introduction of this type of political variables are required for a more comprehensive explanation of Latin American inequalities.

IV. Political Violence and Inequality: The Cases of Chile, Argentina and Peru

4.1. The Chilean Case

4.1.1. The Effects of Political Violence on Power Resources of Pressure Groups

Chile constitutes an excellent example that illustrates the main arguments of this study: in the first place, this country lived a process in which subordinated social groups succeeded in organizing political parties and making alliances to represent their interests, which in fact allowed them to gain access to power. In the second place, such political transformations and the resulting achievements in terms of redistribution were followed by a subsequent exertion of mass political violence that severely weakened the capacity of pressure groups to develop political coalitions and destroyed their capacity of mobilization, organization and possibilities of participation in the political system. Finally, all of this resulted in the adoption of counter-reformist measures whose main consequences were reflected in rising economic inequality.

To start, during the early years of the post World War II period, Bethell points out that Chile “was unique in developing a multiparty system that incorporated both communist and socialist parties. [...] In Chile it was the existence of competitive politics and log-rolling alliances during the “Parliamentary Republic”, a time of expansion of mass suffrage and working class activism, which permitted the incorporation of parties of the left into the established political process” (Bethell, 1998:24).

Consequently, the “Popular Unity Coalition” (UP), led by the socialist and communist parties, came to power in 1970 when the Marxist Salvador Allende was democratically elected President with 36% of the vote. This was a fact of historical importance for the Latin American left because in contrast to the Cuban revolution, Allende’s election seemed to demonstrate that it was feasible to gain access to power through peaceful and democratic mechanisms of popular participation.

Under his government, Allende carried out a radical economic strategy of redistribution. The adopted measures included a massive redistribution of income through significant rise in wage and salary, the nationalization of crucial companies, and the acceleration of the land reform. In addition to this, he established schemes of worker participation in industry and cooperative ventures in agriculture, and sought to transform the political system to develop popular participation in the running of the economy as well as in the making of political decisions. At the same time, these years saw an impressive growth of the popular organization of rural and urban workers, and manual and non-manual employees (Bethell, 1991:340-355).

However, Allende’s government was perceived by the US as a socialist threat in the region and at the local level “Chilean bourgeoisie, its parties as well as its trade and professional organizations, did not remain inactive in face of the structural transformations threatening them. Economic sabotage and parliamentary obstructionism exasperated and already tensed social situation, accentuating the nation’s polarization” (Bethell, 1998:170).

Such polarization resulted in the violent military coup supported by the US government⁶ and local forces in opposing to the government putting an end to Allende’s rule in 1973. The subsequent government led by General Augusto Pinochet brought to Chile the main features of the state terror of the seventies:

⁶ The CIA was authorized to spend U.S.\$8 million to secure the overthrow of Allende, but given the black market price of dollars it is estimated that the spent budget was closer to \$40 million. In Addition, U.S. loans were cut, this government used its influence to block loans from the World Bank and the Inter American Development Bank, and the North American copper companies took legal actions against Chile to block exports of copper to Europe (Bethell, 1991:349).

execution and killings, systematic torture of prisoners and mass exile of political opponents.

The violence was explicitly intended to destroy whole political and social movements from Chilean society. During the years of Pinochet's dictatorship political parties were banned and opposition was made a crime. It is estimated that after Allende's overthrow, around thirty thousand of people were killed; some argue that in the first months of the coup around eighty thousand political prisoners were taken, and torture of political suspects, imprisonment, exile and assassinations continued being the main ways of government's control over opposition to the government.

Under these circumstances, the members of the UP constituted the main target of the intense repression exerted by the state. They were defined as "the enemy, not as mere political opponents" (Bethell, 1991:369). Consequently, many of the prominent leaders of the UP and unions were persecuted and killed. According to Collier and Sater (1998:308) at least 7.000 UP members were taken to concentration camps where they were interrogated and tortured. In addition, these authors argue that thousands of "Allendists" were exiled. By 1978 just in Western Europe there were 30.000 of them.

Consequently, the political left was severely weakened and its capacity of organization and political mobilization almost fully destroyed. For instance, by 1983 only 10 percent of the labor force was unionized compared with more than 30 percent in the days of Allende government (Bethell, 1991: 371).

To sum, by the exertion of political violence, any form of popular mobilization and collective action were strongly repressed, political organization and union activity were practically illegal and those who challenged the government would face imprisonment, exile or murder. Thus, the mass political violence destroyed previous efforts of organization of pressure groups and eliminated the channels of political participation and representation of social sectors claiming better socio-economic conditions. Consequently, without facing any significant opposition, Pinochet's government was able to implementing a package of measures aimed to reverse

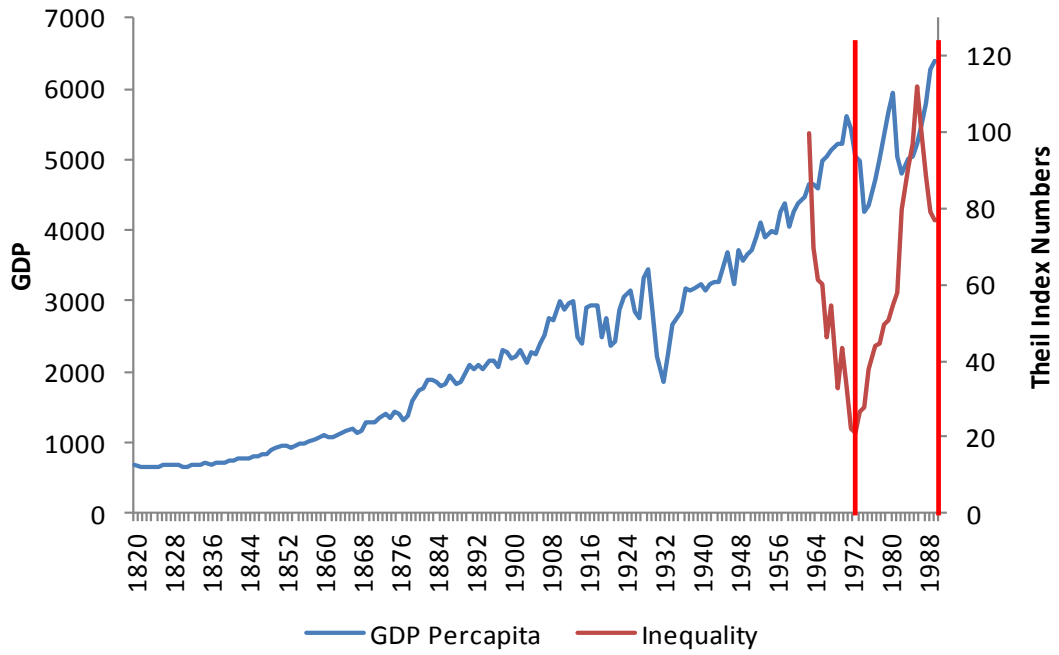
previous redistributive reforms. Measures that in fact translated into increased inequality of income and land distribution.

4.1.2. *The Patterns of Income Distribution*

At the same time that the old forms of political allegiance were being destroyed, guided by a group of economists trained in the monetarist school, the Chilean government embarked on the design and implementation of what would be the policy of the new right wing regime. The main economic measures included reduction in the size of the public sector, elimination of price controls, opening up the economy, privatization of state companies, significant cuts in social expenditure (education, health social security and housing) and the transference of pension funds to the private sector.

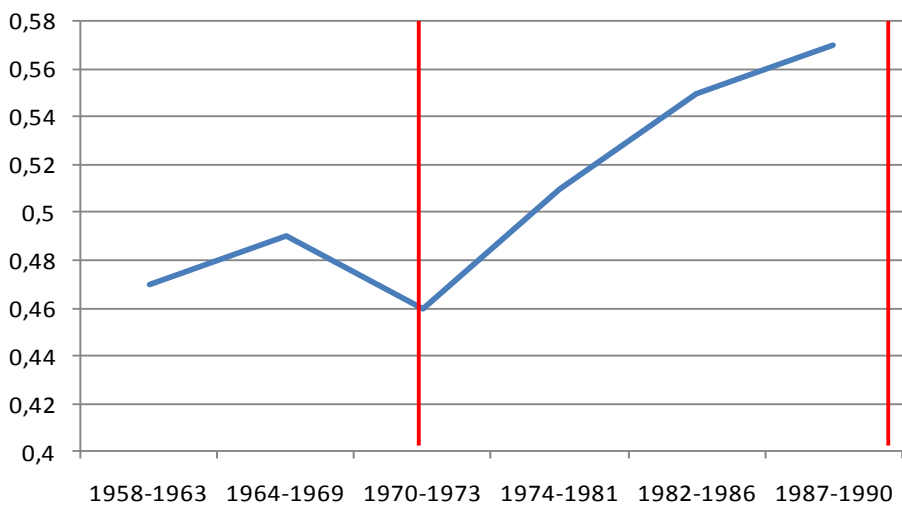
In these circumstances, during Pinochet's rule real wages declined (in the period 1974-81 scarcely reached three-quarters of their 1970 level), unemployment rose (30% in 1983 compared with 5.7% in 1970), and 40% of the Chilean population lived in poverty during that period (Bethell, 1991). Not surprisingly the improvements observed in the early 1970s under Allende's rule were replaced by a rising inequality gap. All of this, taking place in a context of economic expansion (Figures No.7 and No. 8).

Figure No. 7
GDP Per Capita and Inequality: Chile 1820-1990



Sources: Maddison (2007), UITP (Galbraith and Purcell, 2001)

Figure No. 8
Income Distribution in Chile 1958-1990
Gini Coefficient



Source: Larrañaga (2001)

4.1.3. *Reform and Counter Agrarian-Reform*

To analyse the influence of the political violence on land distribution in the Chilean case, it is important to bear in mind that before Pinochet's government, "various electoral reforms gradually allowed the peasantry's increasing participation in the political system. Political parties began to compete for the peasant vote, thereby putting the peasants' demands for unionisation and agrarian reform on the political agenda. Peasants did not need to resort to violent actions to press their demands as legal channels were being opened for expressing their claims" (Kay, 2001:747).

Besides the enabling environment for political organization and mobilization, or as a result of it, the Chilean government expanded and accelerated the process of agrarian reform and a new legislation allowed the state to expropriate landholdings exceeding 80 standardized hectares (a standard hectare being defined as a highly productive one) (Bethell 1998:378). Therefore, between 1970 and 1973, 4.490 properties with 6,6 million hectares were expropriated. In consequence, by the end of 1973, large sized estates (*latifundios*) had practically disappeared in Chile (Chonchol, 2006:6).

However, such reforms drove strong resistance among middle and large size farmers, who found in the new regime an exceptional opportunity to avoid further expropriations or to regain part, if not all of their expropriated land. "In some cases the land-lords took an active part together with the police and the military forces in hunting down certain peasant leaders (especially those that had benefited from the agrarian reform). In posterior phases, the repression was led by the armed forces, and particularly the secret police. Thus, thousands of people were victims of violence in Chilean rural zones" (Kay, 2001:746,748).

In this context, Chonchol (2006:7) signals that the counter-reform of 1973 stopped abruptly previous advances in terms of use and land tenure. According to him, under Pinochet's regime, the expropriation of 2.5 million of hectares was reversed, and among exclusions granted, auctions of land reserves, and transfers to private institutions, public bodies and armed forces, an area

equivalent to 50% of the expropriated land was excluded from the agrarian reform. In conclusion, according to Chonchol's work, over 60% of the expropriated land never reached the peasants' hands.

However, following the main arguments of this study, it is important to stress that beyond the failure of the land reform in itself, it was the violent way in which the reversal process was carried out what left the most severe repercussions for further possibilities of achieving more equal distribution of land.

As Kay explains, in the period of political violence "peasant activists, trade union leaders, beneficiaries of the agrarian reform and indigenous people were the principal victims of the repression [...]. Torture, detention without trial, disappearances, imprisonment for political reasons and widespread terror became the norm. It was a class war in which repression had the clear purpose of destroying the peasant movement as part of the wider aim of the military government to crush any possibility of a resurgence of a revolutionary movement which might dare to challenge the power of the bourgeoisie and of the capitalist system in Chile. [...]The peasant movement was disarticulated by the state, and the once influential peasant trade unions, whose membership comprised over two-thirds of all agricultural workers by the end of the Allende government, became a shadow of their former selves" (Kay, 2001: 746).

To sum up, the use of mass political violence had long lasting negative impacts on collective action and capacity of mobilization of reformist forces. Workers and peasants organizations, among others, looking for meeting their social demands were brutally denied from any form of participation in the political system. This, in turn, facilitated the reinforcement of maldistribution of economic resources in the Chilean society.

4.2. Argentina

In many aspects, Argentina shared a common history with Chile. During the early years of the post Second World War, this country experienced significant

social mobilization, strengthening of labour movements as well as participation of opposition and progressive groups into the political system. Such processes translated into reductions of inequality. However, as in the Chilean case, the active resistance from elites and traditional powerful groups combined with the enabling international environment of the cold war, resulted in mass political violence aimed to thwart the left, and eliminate reformist social groups and political movements.

Since the overthrow of the Peronist government in 1976, brutally repressive measures were launched against the working class and the students in order to destroy organized opposition and cleanse society of the tendencies that had motivated resistance. As Borzutzky (2007: 175) explains, “it was the fear of the potential destruction of the societal hierarchy that mobilized the military. The control and domestication of the crowds required the destruction of their foundations, which in turn demanded a profound social and cultural transformation”.

The use of torture was the preferred method and “its purpose was to secure a world without political organizations, a world where the individual will associate any future political activity with the great pain experienced while being tortured” (Borzutzky, 2007: 177). As in the Chilean case, the consequence was the destruction of the capacity of organization and mobilization of opposition. Therefore, the reductions of inequality under Peronism in the early seventies were followed by a sharply growth in the years of the violent military regime.

4.3. Peru

In Peru, as in the two cases previously mentioned reformist and progressive forces accessed to power over the 1960s and early 1970s. The rise to power of General Velasco in 1968 was supported by the parties of the left in the expectation that his government would offer the Communist party and especially the labour movement, more opportunities to gain political influence.

As a matter of fact, the Communist party was the most loyal supporter of the military government and the Velasco's regime significantly encouraged the development of unionism. In this context, as Bethell explains "the government energetically propagated the ideology developed by the APRA and the left, attacking the basis of the old regime and recognizing the legitimacy of the demands of the lower and middle classes" (Bethell, 1991:466).

Consequently, as it was noticed earlier, Velasco's government carried out a series of socio economic reforms aimed to reduce inequality. In addition to the land reform and the strengthening of the association between capital and labor in industrial sectors, the processes of nationalization and expropriation of firms in leading products as minerals, electricity, transportation and fish meal were comparable to similar processes lived in Chile under Allende's rule (Domínguez, 1999:43). However as in the Chilean case, this reformist period was followed by a shift in the politically opposite direction. In 1975, a military junta deposed General Velasco and appointed General Morales Bermudez as the new head of the state. The new regime embarked in the implementation of a series of economic reforms towards market liberalization and reduction of the state's economic role.

Nevertheless, in contrast to the experience of the Southern Cone countries, in Peru the replacement of Velasco by the more conservative General Morales Bermudez was not accompanied by massive state violence aimed to destroy the capacity of mobilization and organization of opposition political forces. Nor by a comparable level of incumbency from the US which, in spite of its awareness of the close relations between the Peruvian government and the Soviet Union and the radical socio economic policies adopted by the regime, never "smelled" the threat of the communist ideology in this country (Domínguez, 1999:43).

Although the new regime adopted some repressive measures (as the deportation of a group of generals who had held key positions in the Velasco government for denouncing the "counter-revolutionary character of the new regime, and the "selective" repression of some politicians of the left and the

union movement), Morales kept channels of communication and negotiation with opposition political forces open (Bethell, 1991:473). In fact, the new government faced pressures from the left demanding an acceleration of reforms on the one side. Meanwhile the right demanding that the government takes radical economic measures such as putting an end to the price controls, making changes in the labour legislation and returning to the system of private property in the sectors monopolized by the state (Bethell, 1991:475).

The government adopted measures as declaring strikes illegal in any sector of the economy that generated foreign exchange, as well as the imposition of a state of emergency when unions called a general strike. However, the opposition maintained high capacity of organization and mobilization. For instance, in response to the several packages of economic reforms that were harmful to the lower and middle classes, general strikes were held in May 1978, January 1979 and June 1979. In this context, the government did face strong opposition against the economic reforms and such pressures influenced the delay in the implementation of the whole package of structural adjustment measures. For example, as a result of the general strike in 1979, the regime adopted a policy of differential wage increases in various labour sectors (Bethell, 1991: 483).

During the second half of the seventies, the left and the social movements continued to grow through the proliferation of organizations, protests, meetings, and demonstrations. Furthermore, the organization of the working class accelerated with a variety of left wing parties, "in addition to traditionally militant miners, school teachers and other white-collar workers such as bank workers now began to mobilize, broadening the bases of working class action" (Bethell, 1998: 276). Under these circumstances, the government faced a situation of social unrest and political polarization that was clearly unsustainable and the extreme right wing groups proposed an authoritarian repressive solution similar to those of the Southern Cone.

But the government's solution was rather the search for negotiations with APRA and "Partido Popular Cristiano" (PPC) in order to look for a way of

controlling the demands of the masses and establishing some entente between state and society. These processes resulted in the call for elections of a constitutional assembly in 1978. The results illustrated the political changes Peru had lived since one decade ago: APRA obtained 35% and PPC 24% of the vote. The leftist organizations showed unprecedented strength with a total about 30% (Bethell, 1991: 483).

Consequently, in contrast to the Chilean and Argentinean experiences, where the response of conservative forces against previous reformist attempts translated into sharp rise in inequality, in Peru between 1975 and 1980, inequality remained stable. In 1980, democracy was reestablished but against all expectations, in this electoral process the left suffered a spectacular defeat obtaining only 14% of the vote. The following years would mark a period of intense political violence and increasing inequality in this country.

4.4. Chile, Argentina and Peru in Comparison

The experiences of Chile and Argentina, compared to the Peruvian situation during the seventies, illustrate how the mechanisms mobilization of political resources by pressure groups, work differently in contexts of high-intensity and low-intensity of state violence, and how this divergence results in different inequality outcomes. While the use of state terror destroyed the capacity of political organization and participation of progressive forces in the Southern Cone countries clearing the way for the adoption of counter-reformist measures, in Peru during the seventies, the exertion of massive state violence did not constitute a major mechanism to contain opposition forces. Therefore, in Peru, opposition groups were able to use their capacity of mobilization and organization to exert political pressure in favor of their social demands. Figure No.9 presents a summary of key points previously discussed.

Figure No.9
Political Violence-Inequality Nexus
Chile, Argentina and Peru in Comparison

Country	Period	Levels of State Violence	Capacity of Political Organization and Mobilization Pressure groups	Variation in Inequality
Argentina	1970-1976	Low	High	-
Chile	1963-1976	Low	High	-
Peru	1970-1980	Low	High	Constant
Argentina	1976-1980	High	Low	+
Chile	1973-1990	High	Low	+

V. Conclusions

It is generally assumed that inequality constitutes a direct causal factor of political violence. The conventional scholarly debate turns around the estimation of the magnitude and significance of the effects of maldistribution of income and land as direct leading factors to political violence. However, these perspectives overlook the fact that the exertion of political violence constitutes in itself a mechanism to shape and redefine power relations in society, which in turn constitute a key aspect for understanding distributional outcomes.

Accordingly, this paper has argued that the use of mass political violence helps to understand why inequality is so pervasive in Latin America. The process tracing method used in the analysis helped to account for a type of political violence-inequality relationship in which the former can be seen as an important influencing factor over the later.

These processes included a period in which the political mobilization and organization of opposition and progressive groups gained terrain into the political systems allowing them to access to power and carry out redistributive reforms. Then, the reaction of entrenched elites that while seeing their interests and position in power threatened found in the context of intense ideological polarization of the cold war an enabling circumstance to justify the use mass

political violence against opposition groups claiming for more equal socioeconomic conditions. Therefore, while the capacity of communal action of pressure groups and political participation of reformist parties were severely undermined through the use of violence, the regimes adopted radical counter-reformist measures stopping the decline in inequality. Finally, rising inequality would occur systematically in each year. Consequently, by the end of the cold war inequality stood by far higher than in the years before the major events of political violence took place. As shown here, Southern Cone countries as Chile and Argentina constitute illustrative cases of these processes.

Moreover, by comparing Chilean and Argentinean cases with the Peruvian experience in the seventies, the analysis suggests that whereas in high intensity state terror settings, the use of political violence was accompanied by enormous rising in inequality, in contexts of low intensity of state terror, where the political capacities of opposition groups remained relatively strong, inequality exhibited stable patterns.

Other findings of this paper are worth noting. In the Latin American case there have been cases in which regardless of their rightist or leftist character authoritarian regimes are not necessarily accompanied by mass political violence. Worsening inequality does not necessarily go hand in hand with authoritarian regimes and the establishment of democratic systems not always leads to improvements in distributional outcomes. And contrary to the conventional assumption that unequal distribution of economic resources leads to social unrest and fuel violent conflicts, in this region it were previous egalitarian improvements that resulted in the exacerbation of political violence. These constitute puzzling aspects of the Latin American political systems.

But above all, perhaps if Latin America had not lived such a brutal events of state repression against progressive and reformist forces, the region would had seen the incorporation of different social forces into the political system as autonomous actors during that period of exceptional economic expansion. Consequently, Latin American countries would have shown a different evolution of distribution of wealth.

Finally, it would be interesting to analyse to what extent the arguments made in this paper are applicable to other regions of the world. For instance, in the years of the cold war Asian countries such as Philippines and Indonesia experienced similar processes of revolutionary and counterrevolutionary attempts of social reforms. As in Latin America, the anticommunist fever exacerbated mass political violence backed by the US, which found in the local elites natural allies to contain the consolidation of reformist political forces. Moreover, as in Latin America, the events of political violence in these countries have been accompanied by increasing socio-economic inequalities. Even though Asian countries have their own specificities, different historical processes of state formation and political structures compared to those in Latin America, the mentioned analogies suggest the study of the repercussions of political violence on inequality in that region as an interesting topic for future research.

Appendix

Regarding the data on political violence, this paper will rely mainly on the data compiled by G. Marshall for the Center for Systematic Peace. In contrast to other data bases on conflict and political violence, this one offers systematic records on the major events of political violence since 1946 which allows us to cover the entire period of analysis of this paper. These data is eventually complemented by other sources when considered necessary.

In relation to data for inequality in income distribution, although the World Bank data set on Gini coefficients covers most of the countries of the world and in many cases the data are available for long periods of time, reliable data are very spotty for the period of analysis. Thus, comparable time series are not available and the lack of short term coverage means that the possible effects of a particular event on the evolution of inequality cannot be grasped. However, following the data used by Guirao (2010), section No.3 presents the Gini coefficients available for some Latin American countries during the period of analysis. Such figures are taken as indicative statistics. Other sources as the work by Larrañaga in the case of Chile are also included.

Given the limitations for using Gini coefficients, this research will rely on the data set published by UITP (University of Texas Inequality Project), which is built following the Theil method for income inequality measurement. This data base includes annual figures for some Latin American countries since 1963 and for most of them since 1970. This index measures annual changes in the dispersion of employee earnings across industrial categories in manufacturing sectors. It is important to stress that the emphasis of the data is on changes rather than levels of income inequality, on employee earnings rather than family incomes and the analysis is restricted to the manufacturing sector (Galbraith and Purcell, 2001:203). However, these limitations are more than outweighed by the fact that using these data allows us to analyse annual changes in inequality patterns in Latin America for the period of analysis.

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