

## Postscript

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The chapters in this volume assess the state of inequalities in Latin America today, in the context of the interplay between recent attempts by the Pink Tide (PT) regimes to tackle inequality and the deep divisions within Latin American societies since colonisation. Together, they show how inequalities intersect, as income inequality and class interact with gendered and racialised inequalities, and are expressed in spatial distinctions and associations of some communities or categories of persons with crime and violence. These ‘entangled inequalities’ (Costa, Chap. 3, this volume) are complex to analyse, not least because the ethnographic approach taken by most of the contributors seeks to explain how these intersections play out in the relation between experience (‘lifeworld’) and structural economic conditions, which of course change over time.

One of the orienting questions is an evaluation of how PT regimes dealt with poverty and inequality. They are of course not the same thing, but the signs are quite good on both fronts, as Pedro Mendes Loureiro argues in his survey piece, and Sergio Costa and Iselin Åsedotter Strønen for Brazil and Venezuela, respectively. Significant strides were made, to the point that analysts now debate not whether these regimes achieved reductions in poverty and inequality, but to what extent can those reductions be

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attributed to state policy, rather than (just) to economic growth, and the related problem of how sustainable they are likely to be in the longer term. The jury is still out, but as the editors say in their introduction, the outlook is sobering.

For Mendes Loureiro, state actions were effective and influential, and he points especially to the rise in living standards due to Conditional Cash Transfers (CCTs) and rising minimum wages. The latter is related to increased formalisation of the economy, but is also thought to have a knock-on effect on employment in the informal sector. Neither of these policies are especially anti-neoliberal, but nor should they be dismissed too lightly. For Mendes Loureiro, PT governments used a positive international scenario—high commodity prices—to finance social goals, and as such they made some important gains in the fight against inequality. Sergio Costa agrees at least partially, and he gives some impressive numbers for Brazil, showing increases in employment, formal employment and social policy expenditure, along with reductions in poverty rates and a decline in the GINI inequality coefficient over the years of the Lula-Rousseff regimes of the PT. However, he suggests that the consensus for Brazil at least is that this was due more to economic processes rather than social policy.

If correct, this is a problem because it makes reductions in inequality highly vulnerable to changes in economic and political conditions. As is well known, the downturn in the commodity super cycle from about 2011 onwards left PT governments with less income to spend on social programmes. In the absence of policies for actual wealth redistribution, that inevitably had consequences for tackling inequalities. With high incomes from healthy commodity prices, governments had been able to spend more on social programmes—principally CCTs, but also housing, infrastructure and other welfare projects. However, that expenditure is vulnerable to shifting governmental priorities, reduced budgets and erosion of value through inflation. Costa argues that increased state spending is not the same as redistribution of wealth, and that different fiscal policies would have had a greater redistributive effect, and hence a more dramatic and longer-term effect on reducing inequality.

Specifically, he discusses taxation reform. Latin American tax regimes are highly regressive, because they focus on taxation of consumption; if taxes on higher incomes and on capital and financial profits were set at more European levels, Brazil's GINI coefficient could reduce by about 20%, we are told. This is shocking. Outside of Scandinavia, European taxation levels are hardly radically redistributive. Yet even in quite low taxation

regimes such as the UK, the GINI coefficient changes significantly after taxation: in 2013, it was quite close to Brazilian levels before taxation, at 0.527, while after, it was 0.358<sup>1</sup>. Nonetheless, even mildly progressive legislation was not politically possible in Brazil, even under a PT regime. Across the region, governments have found themselves constricted in what they can do to confront inequality, even if they wanted to: Evo Morales, for example, struggled against well-funded and well-organised resistance from lowland elites until he signalled that he would set aside plans for land reform in the eastern region of Bolivia. Celina Sørbo argues that the successful impeachment process against Dilma Rousseff was a conservative counter-reaction to the challenge to entrenched inequalities represented by the PT regimes in Brazil. In Venezuela, that opposition was articulated through nastily racist discourses, as Iselin Åsedotter Strønen documents.

This hints at one of the most important reasons for the limits within which PT and other regimes had to operate, namely the deeply embedded divisions within society, which are conceptualised in this collection as intersecting inequalities, or ‘entangled inequalities’ in Costa’s words. All of the contributions one way or another outline the complex social life of these entangled inequalities, as class divisions between poor and wealthy intersect with topographical divisions of urban space, gender inequalities, violence, generation and race. The chapters on Rio show how the division between the *morro* (hill) and the *asfalto* (street) justifies differential access to and militarisation of urban space. As Margit Ystanes points out, the association of the *morro* with the *favela* and with drugs is matched by an association of the state with whiteness and violence, envisaged as protecting the wealthy (white) areas of the *asfalto* from the dangerous dark *favela* residents. In state discourse, this is resignified as ‘accelerated development’ for the sake of the 2014 FIFA World Cup and the 2016 Olympics. She argues that this in fact reversed some of the gains of PT social policy—as state expenditure on a specific version of urban space for the mega-events diverted funds from public services. For the poor, that meant resentment, but also fear, prompted by the highly militarised nature of this ‘development’.

That said, the topographical distribution of wealth and poverty in Rio is not quite as straightforward as a *morro-asfalto* distinction, as Michele de Lavra Pinto shows in her study of attitudes to the most famous CCT programme in the region, the *Bolsa Família*. Although the poorest live higher up the hill, the *favela* displays complex class differentiation internally,

nowadays very much associated with car ownership and other forms of consumption. Here, we see some of the strides made by the PT governments, as people have a sense of coming out of poverty and aspiring to a more middle-class lifestyle.

Nonetheless, topographies and urban spaces are inflected with understandings of violence, crime and the appropriate state response to such social problems. The *favela* is seen as dangerous, and therefore it is acceptable for the police to sweep in, engage in gunfights with local gangs and plant the Brazilian flag in a highly symbolic act of conquest of this space understood as dark, violent and criminal. The criminals they find—and sometimes kill—are poor, dark-skinned, young and male. Honduras is a little different, and Lirio Gutiérrez Rivera et al. outline how the development of *mano dura* (iron fist) security policies has affected young men from poor neighbourhoods, many of whom now spend 7–15 years of their lives in prison. While men from wealthier families can pay for their court trials to proceed without delays, poorer men must spend months or years in jail waiting for their sentence; and youths are picked up by police on cues such as their clothing, tattoos or skin colour. This is social policy as penalisation of young, dark-skinned men, and although its full effects are yet unknown, the signs are deeply worrying. Gutiérrez Rivera et al. argue that the prisoners cannot transition from youths to adults, precisely because the penal regime is so punitive. They have no access to educational programmes or other forms of rehabilitation. According to the general public, perhaps they do not deserve such treatment. But what will happen when they complete their sentence? What will be the outcome of this punitive turn, which has targeted a whole generation of men?

The entanglement of class inequality with inequalities of gender, topography and race has a long history, as the editors of this volume point out in their introduction. Marvin Brown describes the region's deep colonial history of invasion and slavery, and the effects of that on landholding and territory. That history of conquest underlies most of the inequalities discussed in this volume, but emerges in complex ways. In Venezuela, it has contemporary expression in a discourse of civilisation versus savagery from the opposition to the Chávez and Maduro regimes. Iselin Åsedotter Strønen documents a real schism between the 'Americanised' upper classes, who see themselves as modern, global and civilised, and subaltern struggles for alternative political conceptualisations of the relation between market, state and society. For the upper classes, the poor are barefooted lumpen hordes; and this disdain was frequently expressed in racialised

insults directed at Chávez, whom they attacked as ‘monkey’. Subaltern political agency was delegitimised by these discourses that saw chavistas as duped masses, resentful of the civilised wealthy and seeking power and resources that they had no right to.

But oppression or exploitation modelled on colonial (or capitalist) relations is not inevitable; rather, it is the result of political will and specific choices. Astrid Stensrud describes a project of land reform begun in Southern Peru in the 1970s, following the progressive military regime of Velasco Alvarado. The Majes irrigation project has attracted immigrants from the highland region of Puno, leading to ethnicised tensions between mestizo Peruvians from the coast and Aymara-Quechua Peruvians from the highlands. This is exacerbated by the ways that the distribution of the irrigated land has changed over the years. At first, in the early 1980s, land was sold to families in 5 hectare plots; in the upcoming expansion, the plots available for sale will be 200, 500 and 1000 hectares (current price per 5 hectare is 400 000 US dollars). It is clear that the prospects for the children of the first generation of immigrants do not lie in farming their own land; rather, they can only be wage labourers, at best educated technicians, at worst day labourers. They compete with new immigrants from the highlands, who have contributed to remarkable population growth in the area over the last few decades.

Policy decisions about how to regulate the economy are also central to Cecilie Vindal Ødegaard’s chapter, which shows how changes in free trade agreements affect informal vendors in Arequipa, Peru. A trade promotion agreement signed by Peru with the USA in 2006, and ratified in 2009, has meant that Peruvian authorities have attempted to formalise economic activities via checkpoints and control over commodity flows at the borders. The 2009 trade agreement between Peru and China put small-scale vendors in competition with large-scale actors who can now import Chinese goods legally through Lima. The vendors in Arequipa who used to move goods between Bolivia, Chile and Peru are therefore subject to increased competition and border checks, which have led them to reduce the amounts of stock they bring across, and diversify their investment strategies, including into more risky ventures. This has a gendered effect as the small-scale vendors are in the majority women, in contrast to the large business owners benefitting from reduced controls on Chinese imports. The trade agreements are economic arrangements negotiated at very high levels of government; but for all this, they are by no means inevitable.

Politicians could have decided to negotiate free trade agreements differently, or to continue the allocation of irrigated land in Majes in small family plots. They could have developed alternative security policies in Honduras to address increases in urban crime, or a more progressive taxation regime in Brazil. They could have decided to make Rio ready for the recent mega-events in ways that took into account the views of the *favela* inhabitants. Inequalities of class, race and gender are deeply entrenched and historically embedded, but their emergence in and through state policy is the result of political decisions.

The inequalities are, then, both inevitable and not, both structural and the outcome of particular decision-making processes. And so, in the face of this, how do the subaltern subjects respond? All of the chapters in this volume answer that question to some extent, demonstrating one of the advantages of an ethnographic approach that seeks to document lifeworlds in the context of structural economic conditions. We see how people live their lives, as entrepreneurs in ‘neoliberal’ modes, or as educated professionals, as in the chapters by Cecilie Vindal Ødegaard (Chap. 8), Astrid Stensrud (Chap. 10) and Michele de Lavra Pinto (Chap. 6). People borrow money to set up a business, buy land or buy a car to travel between two jobs; they cross borders with smuggled goods hidden under their own clothes, and dress as either tourists or poor farmer women to disguise their lucrative endeavours. They encourage their children to go to school and university, to become engineers and technicians rather than day labourers. They negotiate the entangled inequalities in which they find themselves, and make the best of it.

They also resist. Margit Ystanes describes the development of subaltern counterpublics through citizen media projects from the *favelas* that denounce police violence and forced evictions in social media. Iselin Åsedotter Strønen argues that popular mobilisation under Chávez created a ‘Bolivarian political space’ comprised of popular appropriation of the state’s pro-poor political alignment. Pedro Mendes Loureiro highlights the neo-corporatist incorporation of social movements by PT governments, giving the example of Argentina under the Kirchners. There, the *piquetero* organisations so prominent in the anti-neoliberal uprisings of the turn of the century were ‘absorbed’ into the state as channels for the distribution of some social policy programmes. Why not? he asks. For the government, when money is available from increased export revenue, ‘why attempt a larger overhaul of macroeconomic policies if there had been growth and this would require confronting powerful interests?’ (Mendes Loureiro). The social

movements took pragmatic decisions to cooperate: why seek to be any more radical if neo-corporatism has delivered wage gains? The interesting aspect of this will be to see what happens now, after the election of the right-wing Mauricio Macri in late 2015. The signs from the first two years of his government are that the social movements, including the *piqueteros*, are reluctant to give up the gains of the Kirchner years.

As I write this postscript in April 2017, the PT is ebbing. With the exception of Ecuador, where Lenin Moreno recently won the presidential election, the more radical ALBA<sup>2</sup> states look vulnerable. Economic and political troubles in Venezuela become more acute every day, and tensions are also rising in Bolivia, as Evo Morales seeks to extend his presidential reign beyond constitutional provisions. The Right gained power electorally or by parliamentary coup in 2015–2016 in Argentina, Brazil and Peru. We are facing a new wave of neoliberal or rightist regimes across the region, and consequently we are facing the reaction of those who suffer the effects of such regimes. The true test of the PT will be whether progress on fighting inequality has meant a shift in terms of debate, such that some economic and social policies—for example, repeal of CCTs—are simply not politically possible, because subaltern subjects will not allow them. In Argentina, social movements that were re-empowered during the Kirchner years are repeatedly filling the streets to protest budget cuts and the authorities' refusal to negotiate salary increases in line with inflation. On 6 April 2017, Argentina's main union federation, the CGT,<sup>3</sup> held its first full-blown strike as a unified body in more than 10 years. Latin America has a long history of entrenched inequalities, but it also has a long history of resistance to inequality, both collective and individual. The balance of power between oppression and resistance has characterised economic and political life for centuries, and seems likely to do so for years to come.

## NOTES

1. OECD. Stat <http://stats.oecd.org/index.aspx?queryid=66670>; retrieved 4 April 2017.
2. Bolivarian Alliance of the Americas; the main ALBA countries are Venezuela, Bolivia, Ecuador and Cuba.
3. Confederación General del Trabajo; General Confederation of Labour, the body that coordinates most of the traditional trade unions in the country.

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