

PROSPECTS AND DILEMMAS OF DEMOCRATIC CONSOLIDATION IN LATIN AMERICA

THE CASES OF COSTA RICA, COLOMBIA, AND VENEZUELA COMPARED

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The way in which democracy is introduced may also be of importance.

—AXEL HADENIUS, *Democracy and Capitalism*

Unfortunately, students of democratization in Latin America have yet to draw the full implications of Costa Rican, Colombian, and Venezuelan models of democracy.

—ENRIQUE BALOYRA, *Democracy Despite Development*

INTRODUCTION

The dilemmas of democratization in Latin America cannot really be evaluated and understood outside a comparative perspective.

— ENRIQUE BALOYRA, *Democracy Despite Development*

During the 1980s there has been an unprecedented wave of democratization throughout Latin America with the emergence of formal, constitutional democracies. However, even the most optimistic observers are deeply

sceptical of the long-term viability of these newly democratic regimes. Since this is not the first time that elected civilian regimes have occurred in the region, many scholars suspect that we are today observing nothing but another phase in a cyclical pattern. Just as the military regimes of the 1960s and 1970s were replaced by elected civilians in the 1980s, a new wave of *golpes* might soon return the military to power. The historical experience shows us that *both* democracy *and* dictatorship are unstable in Latin America. The most salient feature of Latin American politics is the instability of *regime* no matter which form it takes rather than instability of democracy per se.

The reasons for the current pessimism regarding the consolidation of electoral democracy in Latin America are many, but the principal one has to do with the lack of *legitimacy*.

According to Rokkan (1975), the resolution of the main challenges in the process of nation-building is crucial to the establishment of legitimate democratic systems. These challenges are linked to the struggle over the inclusion of the lower strata into the political and economic system, and the dispute over the distribution of income, i.e. (Phase III) the challenge of mass political participation and (Phase IV) the challenge of economic redistribution (Rokkan 1975:572).

What previous historical examples should we study to draw the appropriate lessons of democratic legitimation and consolidation? Chile and Uruguay, long considered the "Switzerlands" of Latin America, both gave in to military dictatorships in 1973. Their status as the longest lasting cases of formal uninterrupted democracies in Latin America have now been taken over by Costa Rica, Colombia, and Venezuela. Here ballots not bullets have since 1948 and 1958, respectively, determined the question of political succession.

The purpose of the present article is to discuss problems of democratic consolidation through a comparative analysis of the circumstances surrounding the political pacts that laid the bases and defined the framework of these democracies. It is our view that the conditions and future possibilities for developing legitimacy for the respective democratic systems in Costa Rica, Colombia, and Venezuela were largely determined by the very contents of the pacts that led to their birth in the first place. The pacts defined the substance of the kind of "democracy" that was allowed to be born.¹ If these "birth certificates" contain too many strings attached to the preservation of socioeconomic status quo such "democracies" are prevented from developing legitimacy. They are allowed to be born provided that

they do not attempt to solve the challenges conducive to legitimacy. Thus, it is necessary to distinguish between sham democracies, democracies by default, and democracies which are allowed to develop legitimacy. Only the latter category can entertain hopes of becoming stable.

The broader comparative implications of our insistence on the contents of the pacts are that we may obtain a first estimate of the chances of future stability of the new democracies in lieu of just referring to the commonplace that "time will show." Of course, time will always show. It might even show that we were wrong in our predictions based on the birth certificates only. Even so, we hope that we can be able to throw a little more light on the dilemmas involved in the creation of legitimate democracies by comparing the birth pangs of our three cases. It is to this comparison that we now turn.

COLOMBIA: FROM COFFEE TO COCAINE, OR OLIGARCHIC DEMOCRACY IN DIRE STRAITS

Las casas pintadas de azul, pintadas luego de rojo y luego vueltas a pintar de azul, habían terminado por adquirir una coloración indefinible.

—GABRIEL GARCÍA MÁRQUEZ, *Cien Años de Soledad*

The difference is that the color of the Conservative party is blue, the color of the Virgin Mary. The Liberal color is red, color of the Sacred Heart of Jesus.

—BELISARIO BETANCUR, president of Colombia 1982–86

Colombia has long traditions of political violence. There were eight civil wars, which lasted in total eleven of the sixty-three years between 1839 and 1902 (Kline 1983:38). But after the most devastating of these violent conflicts, the War of a Thousand Days, 1899–1902, and the subsequent loss of Panama in 1903, a spirit of considerable partisan accommodation characterized the first third of the 20th century within the framework of Conservative dominance. In 1904 Conservative president Rafael Reyes began the practice of promoting harmony by sharing offices with Liberals. Conservative presidents Carlos Restrepo (1910–14) and José Vicente Concha (1914–18) also gave high positions to Liberals. This practice, variously applied, has become a hallmark of the Colombian system of oligarchic democracy. Thus Colombia evolved from a highly competitive (and violently so) oligarchy towards a more "oligarchical democracy" (Wilde 1978).

What the oligarchy could not prevent was the emergence of *new* social tensions in the wake of the growth of urban working and middle classes that were less and less prone to control by traditional clientelist means (*gamonalismo*). Under the stress of the economic depression the Conservative and Liberal parties followed old precedents of *rapprochement* in times of trouble and agreed in 1930 on a Liberal, Enrique Olaya Herrera, as the candidate of "National Concentration." Olaya's successor, Alfonso López Pumarelo (1934–38), used his Liberal majority in Congress to introduce reforms that would radically change Colombian politics. Drawing ideas from the Mexican revolution and FDR's New Deal, López passed laws for the protection of labour: the right to strike and firmer guarantees for unions in collective bargaining, inaugurated a graduated income tax for the first time, and separated the Church from the state. A new constitution (1936) enfranchised the entire male population.

The reformist thrust of López first term was thwarted by his own party, and he was replaced in 1938 by the more moderate Eduardo Santos. When López returned to a second term in 1942, he did not continue the reforms of his first term.

Meanwhile, Jorge Eliecer Gaitán as a new spokesman for the masses, who now could vote, had emerged to the left of López. Instead of promoting a new party, he led a leftist wing of the Liberal party. A sector of the Conservative party was at the same time turning violently reactionary under the leadership of fascist-minded Laureano Gómez. The Catholic church hierarchy strongly supported this Conservative counteroffensive.

In the election of 1946, Gaitán and the official Liberal candidate, Gabriel Turbay, divided the Liberal vote. The division permitted the election of the Conservative Mariano Ospina Pérez as president, although Congress continued under Liberal control. At the elite level, Ospina Pérez offered the Liberals a share in his cabinet (the National Union); at the mass level there was increasing proletarianization between supporters of the status quo and Gaitanistas. By 1948, Gaitán was the undisputed leader of the Liberal party and seemed certain to win the 1950 presidential election. But on 9 April 1948, Gaitán was shot in downtown Bogotá. The gunman was torn to pieces by an enraged crowd before his motives could be revealed. The assumption was, however, that the government and the Conservatives were responsible, and the people of Bogotá reacted by staging a stampede of unprecedented dimensions, the *Bogotazo*. The Bogotazo frightened the privileged classes and increased their willingness to collaborate to prevent revolution. However, the violence repressed in the capital spread to the

provinces. A guerrilla war took hold of the countryside, especially the eastern *llanos*, where it lasted nearly a decade. *La Violencia*, as it was called, involved at times tens of thousands of combatants; and 200,000 lost their lives (Kline 1983:51), some say 300,000.

In 1949 a state of siege was declared, and Ospina Pérez dissolved the congress. 1949 thus marked the breakdown of oligarchical democracy in Colombia (Wilde 1978:40). In November 1949 the Liberals abstained (*re-tratamiento*) from the presidential election because of the atmosphere of repression, and Laureano Gómez was declared winner. Gómez installed a severe dictatorship and set out to suppress the disorders. But Gómez did not manage to stamp out the violence, and he had to rely on the army to fight the partisan bands which continued beyond the control of either party. The political order was being torn to pieces. In 1953, the Liberal leaders and Ospina pressed the commander of the army, General Gustavo Rojas Pinilla, to seize power from Gómez in order to break the vicious circle of partisan violence.

Rojas Pinilla, the first military dictator since 1854, did not propose to return to constitutional government. He showed his intention to organize his own mass base to replace the traditional parties. Rojas Pinilla fancied himself as a Colombian version of Argentina's Perón. He attempted to set up a Third Force party on the Peronist model, based on the army and labour unions. The movement, which was opposed by the Church (influential in Colombia as hardly anywhere else in Latin America) was stillborn. Rojas Pinilla alienated the oligarchs the most he sought the support of workers and peasants (Wilde 1978:61). He pushed Liberal and Conservative oligarchs closer together than they had been for many years, for fear that he intended a permanent dictatorship (*continuismo*). The military forces allowed Rojas Pinilla to remain on the understanding that he would step down, as he had promised, at the end of his official term in 1958. Early in 1957, however, Rojas Pinilla began trying to arrange his reelection. A military junta ousted Rojas Pinilla, who went into exile on 10 May 1957.

The restoration of oligarchical democracy through the National Front was the product of negotiations between the two historical parties beginning in 1956. From the *Pact of Benidorm*, which Lleras Camargo and Gómez signed in Spain in July 1956, to the so-called Civic Front statement of March 1957, to the *Pact of Sitges* of July 1957, there was a consistent development of the understanding that reestablished oligarchical democracy. The pacts represented lessons learned throughout the whole process of breakdown, both before and after November 1949.

The main cause of La Violencia and the dictatorship was judged to have been each party's fear of exclusion and repression by the other. In a plebiscite of December 1957, 90% of the electorate (now including women for the first time) approved the pacts, which became part of the restored 1886 constitution. According to Dix (1980), the National Front stipulated that the presidency was to alternate (*turnismo*) between the parties for three terms (12 years; later extended to four terms, or 16 years).² All other elective and appointive public offices (not under the civil service: *carrera administrativa*) were to be divided evenly between the two parties (*paridad*). To prevent one party from ganging up on the other, a two-thirds majority was required for legislation in Congress (changed to a simple majority in 1968). No other parties were to be permitted to take part in elections or hold public office. There was, however, no restriction on factional competition within the major parties (Kline 1983:56). In short, the formal institutions of liberal democracy were being restored, but with competition strictly limited and with popular political participation largely deprived of its meaning. The national front was a regime of political demobilization. It was a reassertion of control by the traditional élites.

The return to oligarchical democracy was in part the result of the failure of other kinds of government (a quasi-corporatist dictatorship, 1950–1953, and a Peronist-style military regime, 1953–1957, and the failure of the Violencia to trigger social revolution) to solve the basic social problems of the period (Wilde 1978:59).³

Politics in Colombia after 1958 thus continued to be a game of the oligarchs: a formal democracy in which the citizens had no participation. Voter participation in congressional elections went from 60% in 1958 to 31% in 1968 and participation in presidential elections went from 50% in 1958 to 34% in 1966. The political élite had engineered a system that was to end one form of political behaviour: violent acts, and therefore it is not so surprising that it also ended another kind: voting. Power-sharing put a lid on violence within the formal political system, but did little to extend the system itself. It is an *exclusionary* democracy.

The transition to democracy was not accompanied by any socio-economic reforms. The system has been characterized by immobilism. Little in the way of socioeconomic policy was carried out by the National Front (1958–74). In the field of agrarian reform, the Lleras Camargo (1958–62) agrarian reform Law 135 of 1961 setting up the Colombian Agrarian Reform Institute (INCORA: Instituto Colombiano de Reforma Agraria) was a failure. There were too many vested interests. It was watered down during

congressional consideration and never effectively implemented. This sparked the beginning of leftist guerrilla bands in the mountains. The thorny issue of agrarian reform entailed a recrudescence of violence in politics. The overall impact of Lleras Restrepo's (1966-70) agrarian reform Law 1 of 1968 was also extremely limited. Pastrana (1970-74) represented one last attempt at agrarian reform, but agricultural *production* now became more important than redistribution of lands (Kline 1983:109-110).

Due to the failure of agrarian reform, dissent has found fertile ground *outside* the legal political arena. When ballots stopped agrarian reform, new political movements resorted to bullets. At present Colombia is home to four main shades of leftist guerrilla group: ELN (1965); FARC (1966); EPL (1968); M-19 (1974). Death-squads fighting the guerrillas have engendered more rural violence. As a consequence, there has been an almost constant state of emergency in Colombia also after 1958.

The restricted nature of party competition and the frequent suspension of constitutional guarantees militates against the inclusion of Colombia in the list of democracies at all. The López Michelsen state of siege was still in force when Julio Turbay became president in August 1978. He, in turn, instituted the Estatuto de Seguridad (1978-82). Belisario Betancur (1982-86) negotiated a cease-fire with most of the guerrillas in 1984-85, but he was unable to deliver on his promises of socioeconomic reform because of entrenched oligarchical interests in congress. 1985 marked a return to the solitude of political warfare.

The violence of Colombian politics continues its escalation. Overlapping layers of violence have all but destroyed normal life. In 1987 nearly 2,000 people suffered violent deaths, among them Jaime Pardo Leal, leader of Unión Patriótica, the legal political wing of Colombia's largest guerrilla movement FARC (less than 5% of the vote in the 1986 elections). But guerrillas are responsible for only a fraction of the violence.

The rapid growth of trade in cocaine and other drugs has raised violence to new levels.⁴ Colombia is home to three-fourths of the world's cocaine trade. Drug-dealers all but control Medellín, Colombia's second largest city.⁵

Colombia is engulfed in a rising tide of private violence. Violence does not only make a sham of Colombian "democracy," but constitutes a most dangerous threat to the Colombian state's very monopoly on violence. The very *sine qua non* of democracy: "ein Rechtsstaat," where both civil and political rights are guaranteed, is in danger.

COSTA RICA: THE UNARMED DEMOCRACY OR NO BULLETS, JUST BALLOTS

I neither like nor fear bullets. But I ask them all a question which no one is able to answer: And after the shooting stops, what then?

—JOSÉ FIGUERES

Thou knowest how to win victory, oh Hannibal...
but thou knowest not how to use victory.

The relative weakness of the landholding élite and the persistence of a class of independent smallholders have had a profound influence on Costa Rican politics for a long time. Costa Rica was an established coffee producer long before Colombia. Coffee cultivation tended to concentrate land more than it had been in colonial times, but not to the point of eliminating small farms. The larger *cafetaleros* (coffee planters) operated *beneficios* (processing plants) on which the smaller growers depended. The coffee-planting élite gained direct political control during the personal hegemonies of Juan Mora Porras (1849–59) and Francisco Montealegre (1859–70). The Thomas Guardia dictatorship (1870–82) marked a watershed. Guardia presided over a diversification of the ruling class which would have the effect of removing the *cafetaleros* from the direct exercise of governmental power.

The period from 1882 until the civil war of 1948 is known as the "Liberal Republic," to distinguish it from the naked class rule of the *cafetalero* hegemony of earlier years and from the liberal democracy that has been in existence since 1949 (The "Second Republic"). The changes from the earlier period were not radical, but in the field of education the liberal governments took an active role, which antagonized the Catholic church. The political process was just as elitist as it had been in the *cafetalero* era, but there was more room for genuine competition between élite groups, and the first institutionalized parties surfaced in this period. Political participation was increased with the introduction of direct presidential elections in 1914.

From the time of World War I, Costa Rica underwent social and economic changes that worked to undermine the Liberal Republic. In the populous centre plateau of the country (*meseta central*), population growth and land concentration engendered a growing landless sector in the countryside, less and less able to find lands to colonize. This in turn led to the growth of urban areas, especially San José (Nunley 1960). In the coastal areas the establishment of large-scale banana plantations brought with it

an essentially industrial organization of production which relied on Jamaican labourers having no ties to Costa Rican life and culture. The banana zones were thus fertile ground for labour organization (Seligson 1980:49-77). In the 1930s the Communists proved particularly effective in labour organization, in spite of repression by both employers and liberal governments alike. In addition, the liberal educational policies had produced the first literate generations of Costa Ricans. This resulted in a population less prone to traditional modes of élite control. The electorate expanded as more and more voters fulfilled the literacy requirements.

Yet when Ricardo Jiménez approached the end of his third presidential term there was little reason to suspect that the political system of the Liberal Republic was pregnant with change. Jiménez arranged the election in 1936 of the cafetalero León Cortés Castro, who took control of the personalist machinery of the Republican party. Thus, Cortés found himself able to assure the election of his own handpicked successor in 1940: Rafael Angel Calderón Guardia, against whom only the Communists ran a candidate. Cortés no doubt expected Calderón to be a docile instrument in the presidency. Instead, he turned out to be a shrewd leader and political innovator who totally changed the landscape of Costa Rican politics. He left Cortés with no choice but to found his own opposition party: the Partido Demócrata (PD).

A doctor with Belgian Catholic training, Calderón was predisposed to the emerging Christian Democratic political movement and he was a personal friend of Archbishop Víctor Sanabria, who was imbued with the same views. Calderón rewarded the church for its support by reestablishing religious education in the public schools. Calderón also attempted to mobilize a working class following by means of social legislation aimed at the workers. The milestone of his approach was the *Seguro Social* (Social Security), approved in December 1941. Hence, by the end of 1941 Calderón had gained some working-class and church backing, but he had lost the support of the coffee oligarchy which had made him president in the first place. The cafetaleros and other employers feared that the *Seguro Social* would deprive them of paternalistic leverage with their workers, and more generally feared the increase of state power. The Communists, who had been alone in running against him in 1940, still opposed him.

However, the entry of the United States into World War II changed the situation. The wartime alliance between the United States and the USSR implied that both great powers now approved of cooperation between Communist and non-Communist political forces in support of the war ef-

fort. Hence, when elements of the conservative opposition approached the Communists about collaboration in a coup against Calderón, they chose instead to support Calderón, in return for commitments to enact additional programmes in favour of the workers: *Ley de Garantías Sociales* and the *Código del Trabajo*.

The most important element of the opposition was Cortés's Partido Demócrata representing the cafetaleros. A moderate conservatism was articulated by Otilio Ulate, who founded another party: Unión Nacional (UN). The third major opposition element would crystallize as the Partido Social Demócrata in March 1945. The two main components of this emerging movement were the left wing of Cortés's Partido Demócrata: Acción Demócrata (whose most prominent leader was José Figueres), and the Centre for the Study of National Problems, a group of socialist intellectuals who had developed a fairly detailed program of social and economic reform and political democratization. The existence of such a non-Communist reformist element with a "Communist" program of social and economic reform is highly important (Walzer 1967). The only thing all components of the opposition had in common was anti-Communism. PD and UN were opposed in principle to Calderón's social reforms, while the two social democratic factions supported them. In the end the opposition rallied behind the candidacy of Cortés for the presidential election of 1944, in which he was heavily defeated by Calderón's handpicked candidate: Teodoro Picado. The opposition accused the incumbent government of electoral fraud and questioned the legitimacy of Picado's tenure.

The position of the government worsened considerably after the end of World War II. With increasing hostility between the two super powers, the Communists became an embarrassment to Calderón and Picado. The Communists, on the other hand, were embarrassed by the corruption of their partners. But for both sides of the coalition the alternative was worse: a return of Cortés to power and the abolishment of the newly enacted social programs. At this point Cortés offered to support Picado if he would kick the Communists out but the sudden death of Cortés ended this possibility of bourgeois coalition.

Meanwhile, different strategies were pursued by other elements of the opposition. José Figueres, a prosperous cafetalero from a Catalan immigrant family, first came to "fame" in 1942. After a fiery radio speech in which he criticized the government's incompetence and corruption, Calderón sent Figueres into exile in Mexico. From 1942 on, Figueres never ceased to prepare for a revolt against Calderón's regime. The evidence is

strong that he intended to be ready to seize power whenever that opportunity presented itself. An essential element of that opportunity, the exhaustion of the electoral option, finally materialized in 1948. As the 1948 presidential elections drew closer, it became clear that Calderón toyed with the idea of securing a second term for himself. The opposition therefore pressed for extremely strict electoral guarantees, and in August 1947 Picado yielded. An Electoral Tribunal, which was to supervise the electoral process, was to be composed of persons having the confidence of Otilio Ulate, the opposition candidate.

In the election, Calderón received 44,438 votes, to 54,931 for Ulate (Ameringer 1978:43). However, the governing coalition won the congressional election with 29 deputies against 21 for the opposition. Calderón refused to recognize Ulate's victory, accused the opposition of fraud, and demanded that the Electoral Tribunal should annul the elections. The Tribunal at last declared Ulate provisionally elected, but one member abstained on the grounds that not all votes had been counted. Among the irregularities was a mysterious fire that destroyed a significant number of ballots (Ameringer 1978:43). Congress, controlled by Calderón, voted to annul the elections. For Figueres time was ripe. With his armed force, the Army of National Liberation, ready at his farm "La Laucha," he started a revolution with the declared goal of affirming Ulate's victory (Ameringer 1978:48). The war lasted from 11 March to 24 April 1948, and ended with the surrender of the government army. A *Junta Fundadora de la Segunda República* with Figueres as president was set up with the declared purpose of presiding the transition from the Liberal Republic of the Constitution of 1871 to a "Second Republic." On 1 May Figueres signed a *pact* with Ulate according to which the latter would assume office within 18 months. A Constituent Assembly would be elected (on 8 December 1948) to draft a new constitution, and Ulate would be the first president under the new constitution. In the meantime the junta would rule by decree.

Figueres and the junta clearly intended to push through profound political and economic changes and institutionalize those changes through a new constitution of Social Democratic character. They did not want to act merely as caretakers until Ulate's inauguration.

It is important to realize, however, that although Figueres did reach an accommodation with Ulate, *he did not have to do so* (Peeler 1985:73). *It was not a situation that required bargaining.* This is in our opinion a distinction of utmost importance. The bourgeoisie was shattered. The old government army was militarily defeated (it was later formally dissolved

and replaced with a police force). The Communists and calderonistas were discredited and in exile. The junta enjoyed the support of the United States because the Communists happened to be on the defeated side. With the junta enjoying complete monopoly of force, Figueres could have done anything he wanted, including setting up a Latin-American-style personal dictatorship. Instead, he made his agreement with Ulate and presided over honest Constituent Assembly elections in which his party (PSD) got only 4 out of 45 seats compared to Ulate's (UN) 34. He watched the Constituent Assembly reject the Social Democrats' draft constitution and opt instead for a face-lift of the 1871 one. He held elections for a Legislative Assembly on 2 October 1949 and handed over power to Ulate, as agreed, and indeed six months ahead of time on 8 November 1949. An unprecedented step in the Latin American context, but a giant leap forward for Costa Rican democracy.

Figueres wanted the state to assume a guiding role in the economy and to assume responsibility for minimum standards of popular welfare. But the junta's only truly revolutionary acts were the imposition of a 10% tax on wealth to cover the expenses of national reconstruction after the civil war⁶ and the nationalization of the banks. The junta also nationalized electric power and endowed the state with the authority to intervene in the economy.

If accepted, the junta's draft constitution, proposed to the Constituent Assembly on 1 February 1949, would have further empowered the state to act in defence of the common interest. When the substantive goals of the Social Democrats conflicted with the *procedural* rules of democracy, Figueres and the junta opted for the latter. In doing so, they established precedents of civility and accommodation between opponents which in our opinion contributed immensely to the consolidation of liberal democracy after 1949.

According to the Constitution of 7 November 1949, the government of Costa Rica is of the presidential type, but Latin Americans tend to cite Costa Rica as one exception from the usual patterns of executive dominance (Busey 1962:7). An interesting feature is the constitutional status given to autonomous institutions, thus in effect creating a fourth branch of government and a further limit on the executive power. These institutions include all those activities which the Constituent Assembly sought to remove from the vagaries of political strife.⁷ This bureaucratic increase is evidence that the Costa Rican revolution of 1948 initiated a system primarily tailored to meet the needs of an ever-growing middle-class by expanding enormously

the size of the government bureaucracy. Between 1960 and 1975 the number of public employees increased from 32,000 to 100,000 (Seligson 1980:47).

Female suffrage was granted in the 1949 Constitution, and voting is compulsory since 1959 (Oconitrillo 1982).

As Figueres stepped down in November 1949, he realized that his work was unfinished. The bank nationalization and the creation of the autonomous agencies were significant achievements, but the Constituent Assembly's rejection of the Junta's draft constitution was nevertheless a defeat, even if important elements were preserved. José Figueres realized that he would have to return to power to complete the "National Liberation."

While Ulate completed his legal term, José Figueres began the transformation of the minuscule PSD into a mass party: the Partido de Liberación Nacional (PLN). Figueres's wise administration of his political capital paid off handsomely in the 1953 elections, with Figueres winning over the conservative opponent in an unprecedented 2-1 landslide (Kantor 1958). The PLN and Figueres thus had the legal democratic backing needed for the realization of his political program of socioeconomic reform. Extensive social services were envisaged along with a multitude of economic proposals, all couched within the framework of an unqualified commitment to extensive state intervention wherever necessary. The goal was a Costa Rican version of the welfare state.

To the end of this section on Costa Rica, a short note on agrarian reform: The need for land reform has emerged slowly in the 20th century in the wake of major changes in agrarian structure which began in the 19th century. Throughout the colonial period (1564-1821), the possession of agricultural land was denied to no one. Due to the absence of Indian or slave labour, there was no incentive for acquiring more land than could be worked by each of the Spanish settler families. However, the expansion of coffee cultivation in the postindependence period, coupled with the establishment of a foreign-owned banana enclave, gradually produced increasing inequality in the distribution of land. By the 1950s, over three-fourths of the peasant population was landless and the bulk of the landowning peasantry possessed tiny plots too small to be economically viable. Agrarian reform laws were put into effect in 1961, and in 1962 ITCO, the Instituto de Tierras y Colonización (Institute of Lands and Colonization), was established. In the first decade of operation, the reform program produced an uneven record of accomplishment. In 1975, however, the program was revitalized with a large infusion of public funds and increased political

support. This initiated a major attack on the problem of landlessness (Seligson 1979:52).

VENEZUELA: PIPELINES TO A PACTED DEMOCRACY RUNNING OUT OF OIL REVENUES

Prior to 1958 Venezuela was one of the most notoriously dictatorial countries of South America. The long-term impact of oil was to undermine the social basis for authoritarian rule, preparing the field for political changes. But ironically, the very birth of the modern Venezuelan state during the rule of the last of the great *caudillos*, Juan Vicente Gómez (1908–35), coincided with the discovery and exploitation of oil by foreign companies. Rapidly increasing oil revenues allowed Gómez to equip the first national army, expand a loyal state bureaucracy, exempt élites from paying taxes, and develop a sophisticated repressive apparatus (Lombardi 1982:208).

The agricultural decline induced by oil had a profound impact upon both the social structure and political behaviour of Venezuela's élites. If the condition of the landed upper class is a key factor in the type of political outcomes that arise in the transition from agrarian societies, as Barrington Moore (1966) has maintained, this class in Venezuela experienced a rapid transformation with the foreign introduction of an oil enclave. As rural investments became less attractive, the incentives to commercialize agriculture and thus maintain élite control over rural areas also diminished. Venezuelan landowners sold their property to the oil companies, converting themselves into a commercial and financial urban bourgeoisie. Oil literally "oiled" the social frictions of landlord–peasant disputes, providing a permanent "exit" from the land for both élites and masses.

The social and political impact of the demise of agriculture was extensive at the mass level as well. The proportion of the work force engaged in rural activities declined rapidly: from 71.6% in 1920 to 33.5% in 1961 (Lynn Karl 1986:200). The most important social phenomenon resulting from the introduction and consolidation of the oil enclave economy was the emergence of a middle class composed primarily of propertied and salaried small artisans and white-collar workers in the service sector. Their numbers were complemented by a rapidly expanding state bureaucracy. These *capas medias* could control mass politics because of the weakness of the working class. Although the oil industry had created a modern proletariat, the capital intensity of the industry kept the number of oil workers

low. Since oil workers had to align with forces in the urban areas in order to win their labour demands, they became prime targets for reformist parties based in Caracas.

At the time of Gómez's death, it was not clear who would succeed him or what the new regime would be. Gómez's minister of war, General Eliecer López Contreras, asserted himself as president (1935–41). In 1941 López Contreras in turn arranged the election of his own minister of war: Isaías Medina Angarita (1941–45). The two main organized political forces of opposition to the post-Gómez oligarchy were the Communist party (PCV), founded in 1931, and Acción Democrática (AD), which competed in the field of labour organization. Medina Angarita pursued a contrasting policy with regard to the opposition parties. He legalized them, but at the same time he was jealous of his control over the political system. Medina broke with López Contreras rather than be his puppet.

Thus trapped between the AD and the PCV on the left and López Contreras on the right, Medina's situation was similar to that of his contemporary colleague in Costa Rica, Calderón Guardia. Like Calderón, Medina was helped out by the international thaw of World War II: he allied himself with the PCV in return for giving the Communists privileged access to organized labour. This outraged the anti-Communist AD, which on its own part continued to press Medina to democratize the political system by introducing universal suffrage and direct presidential elections. Medina refused to do this.

At this point the AD leaders were approached by junior army officers who proposed that AD should join them in a military coup against Medina. Believing that there was no other way of breaking the hegemony of the post-Gómez oligarchy, AD joined the *golpe* of 18 October 1945, which marked the beginning of a three-year democratic period known as the *trienio*.

AD got a free hand to carry out its social democratic program of economic, social, and political reforms. Direct elections to the presidency and universal suffrage were introduced, thus expanding the electorate from 5% to 36% of the population, including the illiterates (Wesson 1982). Agrarian reform, industrialization and nationalization of the oil companies constituted the central elements of AD's programme. AD enjoyed massive popular support — the AD received 74.4% of the votes for its presidential candidate Rómulo Gallegos and 70.8% of the congressional votes in the 1947 elections (Blank 1984:26) — but *no support among the élites*. Landowners and the commercial class believed that AD represented a radical future

that implied their own demise and nicknamed the party *adeco*, meaning AD-Communist. Rival parties from PCV to COPEI feared that AD's popular hegemony would permanently exclude them from power and office. In spite of having helped AD to power, the military also came to fear the independent power of its mass base, and especially the arming of worker-peasant battalions. Thus slightly more than three years after the ouster of Medina, the very same officers, led by Pérez Jiménez, replaced the AD government with a military one on 24 November 1948.

The 1948 coup taught the AD the importance of compromise. Isolated and driven underground in 1948, AD understood that it had alienated potential allies during the *trienio*, especially through its strong actions against Catholic education, a move that alienated both the church and the new Christian Democratic party (COPEI), which supported Jiménez's coup.⁸

Brought together by the common experience of repression and having learned about the dangers of sectarianism from the *trienio* failure, party representatives agreed to an initiative by URD and the PCV to form the Junta Patriótica in June 1957. Fearful that events might get out of hand, four Venezuelan leaders, Rómulo Betancourt (AD), Rafael Caldera (COPEI), Jovito Villalba (URD), and Eugenio Mendoza, met secretly in New York to discuss the composition and parameters of the government which would follow the demise of Pérez Jiménez (Blank 1984:29). They agreed to reject any transition arrangement offered by the military and they quietly decided to exclude the Communist party from claims to equal partnership, despite the PCV's leading role in the resistance.

The coincidence of Pérez Jiménez's intention to remain in power indefinitely (*continuisismo*) and a fiscal crisis leading the Conservative economic élite to join the parties' opposition to Jiménez, was the catalyst of the collapse of the military regime. The general's intention to remain in power also sparked church opposition.

As élite civilian support crumbled, the military became the focus of the regime's decay. Jiménez's extraordinary levels of corruption, combined with his creation of a parallel military authority through the political police (the Seguridad Nacional), fostered divisions within the military itself leading to a futile *cuartelazo* to remove Pérez Jiménez on 1 January 1958. On 21 January the Junta Patriótica called a general strike to force Pérez Jiménez from power. The military refused to leave the barracks to put down the strike. On 23 January, with the entire city of Caracas mobilized and demonstrations taking place around the country, Pérez Jiménez agreed to leave (taking the coffers of the state with him).

A military junta, led by Admiral Wolfgang Larrazábal attempted to reestablish the authority of the armed forces, but the pressure for democratization was too powerful. Fearing that the country was on the brink of civil war, the army agreed to change the composition of the military junta. The Junta Patriótica met the new ruling junta and promised to reestablish social peace in return for democratic elections.

The nature of Venezuela's new democracy depended largely upon the immediate context of transition: a context still delineated by traditional élite actors. In order to accommodate the demands and desires of new politically organized actors without significantly threatening the interests of those who were strong enough to reverse the process of change, democratization required an explicit definition of the new parameters of action and the rules of the game, both formal and informal, which could guarantee the basic objectives of all actors. These institutional arrangements were established through several élite-negotiated pacts formulated in 1958: The *Pact of Punto Fijo* and the Minimum program of Government, signed prior to the first elections by all presidential candidates, bound all signatories to the same basic political and economic program, regardless of the electoral outcome. Only the Communist party was excluded from the two agreements.

The political spirit of Punto Fijo was institutionalized in the Venezuelan Constitution of 1961 and thus became an integral part of the state. Although it proposed an agrarian reform, the Minimum Program promised that changes in land tenure would be based on a principle of compensation. Demands for the nationalization of the foreign-owned oil and steel companies were not raised, an important retreat from AD's former nationalization policy.

Having granted these substantive assurances to the country's industrial and financial interests, AD and the other political parties received a *quid pro quo*. As in Costa Rica, the role of the state in the economy was expanded, a development which could enhance the power of those in control of the political sphere. Political parties also won important new benefits for their organized labour, peasant, and middle-class base: a labour code, and social legislation in health, education, and social security. The democratic regime granted trade union rights and the freedom of association. In practice this meant that the state would intervene in the process of collective bargaining in favour of the Confederation of Venezuelan Workers as well as the Peasant Federation, both closely linked to Acción Democrática (AD). In addition, the state would provide various welfare measures

for the popular sectors. By the Minimum Programme of Government and the Pact of Punto Fijo fundamental policies were decided *before* any elections were held, thus taking conflict out of politics by removing political issues from the electoral arena.

But why was this policy of restraint followed in the first place? Apart from lessons learnt from errors during the *trienio*, the fears of a Cuban-style revolution in Venezuela were used by AD to keep the church, the army, and others lined up in support of the system. The development of a leftist strategy of guerrilla warfare in the early 1960s consolidated Venezuela's pacted democracy by rallying Centre and Right to the AD in response to a Communist threat (Levine 1978:98).

The guerrilla movement failed. Although fighting continued into late 1964, the prospects for success were never very good, for the left misjudged the nature of Venezuelan society. The untapped potential of the 1930s and 1940s in the countryside was now occupied ground. In this sense, the guerrilla movement was defeated politically before a shot was fired.

The first to realize this was the PCV who called a truce in April 1965 and began to abandon the armed struggle. In 1967 the PCV decided that the party should return to electoral politics, thereby accepting the rules of the game imposed by the *democracia pactada*. The PCV was once again legalized in 1969, after having been banned in 1962 on the grounds of its guerrilla activities. MAS (Movement to Socialism), the "Eurocommunist" wing of the PCV, founded in 1971 by Teodoro Petkoff Malec, is now Venezuela's third-strongest party (6% of the vote). In contrast to the church and the army, the incorporation of radical challenging groups was contingent not on negotiation and mutual benefits, but rather on defeat, like the Costa Rican Communist Party suffered military defeat in the 1948 civil war.

Oil has been the answer to the problem of how to pay for welfare and jobs without enraging the possessing classes. Oil revenues paid the bill for the "pacted democracy," subsidizing both business and the popular sectors. Thus Venezuela became the first Latin American country to carry out substantial land reform with adequate compensation for owners.

Although oil money alone is not enough to ensure democracy, Venezuela's gravest problem in the 1980s is the economic crisis caused by vanishing petrodollars. The state, guardian of the country's oil wealth, has kept the peace by raising wages, strengthening social security and services. The flood of oil revenues running dry, the state's role as sugar-daddy might come under fire.

CONCLUSION: A PRELIMINARY ENDNOTE ON DEMOCRATIC CONSOLIDATION

It is not possible to explain the emergence of democracy simply on the basis of economic and social factors. Pacts of accommodation between rival élites seem to be equally important (Peeler 1985). We agree, but we must turn to sociostructural factors and corresponding power relations to explain differences in the contents of the pacts and their prospects for establishing the legitimacy of the democratic regime.

The legitimation of democracy depends highly on the extent to which the pacts are able to solve, partly at least, the challenges of participation and redistribution. If the maintenance of socioeconomic and political status quo is the very condition for a *democracia pactada* be born, such a "democracy" is denied the possibility of establishing its legitimacy in the future. Élite pact-making, an inherently antidemocratic form of interest representation, implies *exclusion* as well as inclusion. The amount of exclusion or inclusion depends on socioeconomic structural factors and changes in the *power relations* between classes.

The ability of new actors to define a different order is always constrained by persistent power of "nostalgic" élites who seek to limit reform. The definition of democracy which eventually emerges is highly dependent upon the extent to which the traditional élites are capable of delineating the context of transition. Here variables such as degree of change in traditional political power relations, and degree of *mobilization* enter into the fray.

In contrast to Peeler (1985), we would attribute more importance to the structural context under which autonomous actors act, to power relations between the contracting partners. Costa Rica differs considerably in this respect: It is the only case which comes anywhere near a "bourgeois revolution" in the sense that the supporters of the old order were *militarily* defeated in a civil war *before* any pacts were made. Figueres's junta was much freer to act as it pleased. He *used victory* to consolidate democracy as an end. The Costa Rican Revolution of 1948 thus represents an instance of a very unique and highly improbable phenomenon: the democratizing coup (Peeler 1985:162).

We would therefore like to distinguish more sharply between democracy as an end in itself and democracy as a *faute de mieux* residual: a means of explicit accommodations between rival interests. In situations of the latter type the prospect of consolidation depends on the system's abili-

ty to *include* new interests. In the case of Colombia only the Liberals and the Conservatives were included. Too many groups and interests were excluded and thus deprived the institutions of *legitimacy*. Colombian "democracy" was born by default as a restoration of *status quo ante bellum*. It was a return to oligarchic democracy as a means to prevent further democratization. In the democracia pactada of Venezuela more parties and broader interests were included.⁹ The crucial element is whether or not the pacts (or births certificates) were accompanied by a minimum of political and socioeconomic structural reform. This happened in Costa Rica and to a lesser degree in Venezuela but hardly at all in Colombia. Only the Costa Rican and Venezuelan pacts contained elements conducive to the establishment of legitimacy.

In the Costa Rican case democracy was to a much greater extent pursued as an *end* in a situation where other ends could have been opted for. Figueres deliberately chose accommodation with conservative interests as a means to build institutions first, convinced that only with firm *legitimate* institutions, and a broad commitment of diverse groups to their existence, could any reform policies be implemented. In other words, he separated the challenge of participation (Rokkan's Phase III) from the challenge of (larger) redistribution (Rokkan's Phase IV). In this way Figueres laid the basis for the possibility of future change, as institutions would survive and acquire broadly based *legitimacy*.

It is our contention that the question of consolidation of political democracy in Latin America is intimately related to the degree to which the introduction of democracy is accompanied by structural changes conducive to a minimum of *social* democracy. The failure of Colombia and success of Costa Rica and Venezuela suggest the dilemmas of establishing and consolidating democracy elsewhere in Latin America.

The broader implications of this analysis relate directly to the regional trend toward democratization in Latin America. The newly emerging democracies are faced with a serious *dilemma*. On the one hand, since most have come to power after long periods of military rule in which political parties and popular participation were severely repressed, they have little firm basis for making claims to their legitimacy. In order to build that legitimacy they must satisfy pent-up demands for political and economic participation by making broad concessions to these demands. Demands of labour unions, middle-class groups, and peasants must all be at least partially satisfied if these regimes hope to build their legitimacy. On the other hand, the newly emerging democracies have arrived on the scene at the

worst possible moment. Their ability to legitimize themselves is limited by the reality of the economic crisis that, in many cases, was responsible in the first place for the withdrawal of the military and their subsequent coming to power.

Notes

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¹ With regard to our definition of "democracy," we have chosen one that is particularly apt to test the existential authenticity of democracy: "*democratic*...is a regime in which the government exercises its public powers within the constraints imposed by responsible — meaning accountable and responsive — institutions which help prevent the systematic and severe deprivation of basic human rights" (Baloyra 1987:83). The definition thus refers to the *reality* of a government that does not tyrannize.

² The prototype of the Colombian *turnismo* of 1958 is of course the Spanish system of *turno organizado* between the Liberal and Conservative parties following the Restoration in Spain 1874–76.

³ This was also the case with regard to the political developments during the period preceding the Spanish Restoration in 1874–76. The *sexenio* between 1868 and 1874 witnessed one deenthronement, one provisional regime, one regency, one democratic monarchy, one abdication, one federal republic, one unitary republic, three civil wars going on at the same time, then a second provisional regime, another attempted regency, and finally the restoration of the dynasty that had been removed from the throne in the first place.

⁴ To rephrase a famous Marxian dictum concerning Ireland in the 19th century (Mohri 1979:36): the main success industries in Colombia today is cocaine trafficking and "the coffin making industry."

⁵ Carlos Mauro Hoyos, General Prosecutor, was killed by the cocaine mafia in late January 1988 because he was too much in favour of extradition of Colombian drug-dealers to American justice. President Betancur's minister of justice suffered the same violent fate for the same reason in April 1984. The Palace of Justice in Bogotá, still in ruins after the attack to destroy the extradition files on 6 November 1986, is a telling symbol of the present state of the Colombian "Rechtsstaat": a ruin.

⁶ In reality the Junta collected very little of this money.

⁷ E.g. an agency to take the electoral machinery out of the hands of partisan politicians: the Tribunal Supremo Electoral.

⁸ The Venezuelan "trienio" can be compared to the Spanish "bienio rojo" (1931–33) during the 2nd Spanish Republic, and Jiménez's coup is the equivalent of Franco's *pro-*

nunciamento in 1936. The reintroduction of democracy in Venezuela in 1958 is quite similar to the Reforma Política in Spain in 1976. Whereas the Venezuelan situation in 1958 parallels Spain in 1976, the Colombian restoration of oligarchic democracy in 1958 is similar to the situation in Spain in 1876.

⁹ The degree of inclusion vs. exclusion is also illustrated by the Greek case. The 1952 constitution in Greece tailored a political system exclusively for the victors in the civil war. The consolidation strategy of Karamanlis in 1974, by contrast, was aimed at establishing an inclusive political system (Diamandouros 1984:59–60).

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