

RESEÑAS DE LIBROS / BOOK REVIEWS

JUDITH A. TEICHMAN: *The Politics of Freeing Markets in Latin America: Chile, Argentina, and Mexico*. Chapel Hill: University of North Carolina Press, 2001.

The wave of market reform that swept across Latin America during the last fifteen years has produced profound changes in economic development policies and has therefore attracted considerable scholarly attention. Authors from diverse theoretical perspectives have shed light on their causes and consequences, emphasizing the severe crises that triggered structural adjustment; the coalitions of (prospective) winners that sustained neoliberal transformation; the demobilization of (prospective) losers that averted opposition; and the institutional powers and mechanisms that allowed reform-minded presidents to enact drastic change.

Judith Teichman's fine study adds another important piece to the adjustment puzzle by focusing on the technocratic teams and networks that designed neoliberal reforms and helped to push them through the decision-making process. As a result of common training, often in U.S. universities, these experts share a firm commitment to neoliberal principles, and they are often linked by personal loyalty and friendship. As Teichman convincingly shows, the "Chicago Boys" in Chile, the group of experts led by Domingo Cavallo in Argentina, and the *camarilla* of Carlos Salinas de Gortari in Mexico played crucial roles in advancing drastic market reforms.

In an interesting twist to her argument, Teichman shows that these technocratic networks are very modern by encompassing highly trained economists, but that the importance of personalistic connections and autocratic orientations inside these networks also harks back to Latin America's Iberian-Catholic heritage. This odd mixture of modern and traditional elements helps account for the problematic repercussions of technocratic predominance for democracy. The concentration of effective decision-making authority in a narrow clique of experts and their collaboration with discretionary personalistic leaders—such as dictator Pinochet in Chile and populist Menem in Argentina—mean that policy-making

has minimal transparency; that large sectors of civil and political society are excluded from consultation and participation; and that policy outputs are systematically skewed, benefiting big business while neglecting the social needs of the majority—thus exacerbating Latin America's egregious social inequality. Also, while most of the citizenry has minimal input, technocratic policy networks often include or cooperate with officials of the World Bank and IMF. The responsiveness to outside influences, which results mainly from an ongoing, wide-ranging policy dialogue, not from formal loan conditionality, aggravates the democratic deficit of technocratic decision-making: foreign actors have significantly more influence than the presumed democratic sovereign, i.e., the voters.

Teichman's arguments, which are substantiated through thorough case studies of Chile, Argentina, and Mexico, shed important light on the process of neoliberal reform. Indeed, other cases in the region confirm the central role of technocratic "change teams," in John Waterbury's words. For instance, the efforts of Brazilian President Fernando Collor de Mello (1990-92) to enact neoliberalism were hindered by the heterogeneous nature of his economic policy "team," whereas the successful "Real Plan" of 1994 was designed and enacted by a close-knit group of economists, mostly professors of the Catholic University of Rio de Janeiro. In general, the book contributes to the interesting debate on the tensions between democracy and technocracy. Essentially, how much effective influence can "the people" exert on highly complicated issues that "require" expert knowledge? The involvement of democratically unaccountable external actors—such as World Bank officials or foreign investors—imposes further limitations on popular sovereignty. Teichman clearly demonstrates the resulting constraints on Latin America's new democracies.

Notwithstanding the insights it yields, however, Teichman's focus on technocratic networks also constrains her analysis and leads her to overestimate the challenges to democracy. Ultimately, experts are not the most decisive actors in neoliberal reform. In fact, they owe their very positions to the appointment decisions of political leaders. And while presidents do consider economic requirements and constraints, they pursue first and foremost political goals. The political decisions of presidents are absolutely crucial for the initiation of market reform; experts advise and recommend, but in the end, presidents decide. Unfortunately, Teichman has little to say about these decisive political choices. For instance, her analyses of the "conversions" to neoliberalism by Chilean dictator Augusto Pinochet and Argentine populist Carlos Menem are disappointingly brief (pp. 72, 114); she misses the opportunity to analyze the *political* usefulness of "technocracy" for authoritarian rulers and populist leaders. This insufficient focus on politics and politicians is particularly problematic in

the Argentine case, where—as the author admits (p. 126)—a technocratic team came to control economic policy-making only eighteen months *after* the beginning of determined market reform.

Teichman's analysis of the political management of market reform (chapter seven) is also one-sided. While cooperation with business groups and the cooptation and weakening of labor were clearly important, "neoliberalism" survived transitions to democracy in Chile and Mexico and was politically feasible in Argentine democracy because it elicited substantial popular support, or at least acquiescence, as numerous opinion surveys show. As a result, neoliberal Menem, for instance, won a string of significant electoral victories—an important fact that Teichman leaves virtually unmentioned. Her unjustified emphasis on the problematic features of "neoliberalism" also leads her to overrate social protest in Mexico; if citizens were so discontent with the new market model, why did so many voters in 2000 opt for neoliberal Vicente Fox? Similarly, the 1999/2000 election in Chile saw more gains by the right than the left.

In sum, Teichman's stress on the problems caused by the process and substance of neoliberal reform seems exaggerated. While experts have certainly played important roles, political leaders in the end make the crucial decisions—and therefore, under democracy, "the people" always retain the last word. Moreover, while the market model has not fulfilled the over-inflated expectations and promises that preceded its enactment, it has brought greater economic stability to Latin America and has averted the economic and social meltdown that seemed to be imminent in the late 1980s; therefore, it has found solid (though not overwhelming) popular support.

Despite these issues of focus and interpretation, Teichman's book makes a useful contribution to the literature and is recommended both to Latin Americanists and to specialists on market reform in general.

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RICARDO D. SALVATORE, CARLOS AGUIRRE, and GILBERT M. JOSEPH (eds.): *Crime and Punishment in Latin America: Law and Society since Late Colonial Times*. Durham and London: Duke University Press, 2001.

Ricardo Salvatore, Carlos Aguirre, and Gilbert M. Joseph's edited collection, *Crime and Punishment in Latin America*, joins a growing body of scholarship—including several volumes authored or edited by Salvatore and/or Aguirre—