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perb book makes a valuable contribution not only for what it contains but also for stimulating reflection about issues like these.

*Democracy and the Left: Social Policy and Inequality in Latin America.*

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*Democracy and the Left* is one of the first systematic examinations of income inequality in a middle- or low-income region. It’s an excellent book—required reading for students of inequality, democracy, and Latin America.

Evelyne Huber and John Stephens ask what determines variation in income inequality across countries and over time in Latin America. They also examine poverty, but I’ll focus here, as they do, on inequality. They conduct quantitative analyses using data for all 18 Latin American nations from 1971 to 2005, in-depth historical within-case analyses of five countries, and a comparison of two most-similar cases from outside the region (Portugal and Spain) with four Latin American cases. Their analyses are thorough and careful, and they are appropriately cautious in their inferences.

Huber and Stephens conclude that in Latin America democracy has been the most influential contributor to low income inequality. It helps in two ways. First, democracy makes it more likely that left parties will hold the government. Left parties reduce income inequality by expanding access to education, rejecting inegalitarian policy orientations encouraged by international economic agencies such as the International Monetary Fund, and steering government transfers in a propoor direction. Second, democracy fosters competition for votes between parties of the Left and Right, so even the Right behaves in a somewhat egalitarian fashion when in power.

The hypothesis is compelling. Authoritarian governments can reduce inequality if they wish, and there are plenty of historical instances. But they are more likely to favor concentrating income in the hands their supporters. On theoretical grounds, democracy should be much more conducive to low income inequality.

Key pieces of evidence are supportive. There are three Latin American countries that democratized relatively early and (for the most part) remained democratic: Chile, Costa Rica, and Uruguay. In the 1980s, the earliest point for which reliable comparative data exist, the level of income inequality in this group was substantially below the Latin American average.

Huber and Stephens hypothesize that democracy’s egalitarian effect will show up about 20 years later. And sure enough, in the 2000s income inequality did begin to decrease in a number of these countries, after having risen or held constant in prior decades. This fall in inequality is particularly striking given that globalization, technological change, and other developments were causing inequality to rise in some other parts of the world at this time.

The verdict that democracy has been key is not, however, a slam dunk. First, other developments could conceivably account for the reduction in income inequality in the first half of the 2000s. There was a widespread discrediting of “Washington consensus” policies favoring limited government and inflation avoidance over full employment and redistribution. Also, a commodity boom helped generate rapid economic growth, enabling increased government spending on education and other social programs.

Second, this period of falling income inequality is brief. Was it the beginning of a sustained decline, or merely a temporary blip? It’s still too soon to tell.

Third, in the world’s rich nations, the shift in income inequality in recent decades has consisted mainly of growing separation between the top 1% of households and the rest. The available inequality data for Latin American countries are likely to capture developments within the bottom 99% but miss changes in the gap between those 99% and the top 1%. Until better data are available on incomes at the top, we can’t be certain we have an accurate picture of the cross-country and over-time variation in inequality.

But none of this is Huber and Stephens’s fault. They have done exactly what scientists should do: get the best available data, analyze it as carefully as possible, and clearly convey what you find.

How will things play out in Latin America going forward? Here it’s worth emphasizing two respects in which Huber and Stephens find that patterns in Latin America differ from those in the world’s already-rich nations. First, they find no evidence of a significant inequality-reducing contribution from organized labor. In the absence of a strong push from unions, will left parties continue to prioritize inequality reduction? And if they do, can they continue to succeed in achieving it?

Second, Huber and Stephens find that left parties’ inequality-reducing impact comes not via more government social expenditure. Public social programs in Latin America are heavily weighted toward old-age pensions, and the pension programs tend to be structured so as to reinforce rather than counteract the unequal distribution of earnings in the labor market. Instead, left parties have reduced income inequality by expanding education, which has decreased inequality of earnings, and by increasing the progressivity (rather than amount) of government transfers. This pattern is quite different from what we see across the rich countries, where education is not a helpful predictor of income inequality and where the quantity of government transfers matters more than their progressivity. Will the same be true for Latin American nations as they get richer? Or will they follow a different path?
Answers to these questions await more data and additional analysis. Huber and Stephens’s book is a terrific launching pad.


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What are the prospects in the United States of building a broad, anticapitalist left movement capable of challenging the power of capital? How could various urban social movements cohere into a “genuinely counter-hegemonic left-progressive urban alliance” that would be a core component of this new working class–based “antsystemic” movement (p. 150)? These are the politically relevant questions that drive activist and author Karl Beitel’s study of urban social movements in San Francisco over the last half-century, Local Protest, Global Movements.

In contrast to postmaterialist, new social movement theorizing, the author conceptualizes the variety of land use and tenant activism struggles analyzed in the book as rooted in what James O’Connor has termed “the second contradiction” of capitalism (“The Second Contradiction of Capitalism,” Capitalism Nature Socialism 5 (1994): 105–14). As opposed to the first contradiction located at the workplace, the second contradiction of capitalism addresses what Karl Marx termed “the conditions of production” that are required for capital accumulation but that are not produced as commodities, such as urban space and labor power. The urban social movements dealing with land use and tenant activism, which are the focus of the book, are what he terms a particular “species” of the larger “genus” of movements arising from the second contradiction (p. 52). In a critique of O’Connor, he argues that struggles around the production of urban space must be grasped not from the side of capital, but “from the vantage point of the historically and socially conditioned individual . . . and the meaning and sentiments embedded within an individual’s sense of community and neighborhood” (p. 52).

Chapter 2 provides an overview of community struggles in San Francisco from the 1950s through the 1980s, including efforts to block federal highway projects, stop eviction of low-income tenants from the International Hotel, and stage ballot initiatives to win rent control. In contrast to other critical urbanists, Beitel argues that Nixon’s “new federalism” in the early 1970s, and other neoliberal trends that devolved responsibilities to cities, strengthened the power of local activists to intervene in development battles. Through militant community mobilizations, nonprofit (also referred to as NGOs) housing groups were able to gain control of federal community development block grants to use for constructing affordable housing. Also, community groups mobilized to pass a number of rent- and