

Where is Latin American Going? '21st Century Socialism' or FTAA?

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The last *Cumbre de las Americas*, held in Argentina in 2005, ended with a strong dispute between those countries who, lead by Mexico, tried to put forward a final declaration in support to the Free Trade Area of the Americas (FTAA) and those countries who, lead by Brazil and Argentina, opposed to that initiative. This antagonism expressed a marked difference in the political leadership of both groups of countries. This gap widened after the electoral year of 2006. Some countries, such as Mexico and Colombia, reaffirmed their positioning in their support to US-led trade and political projects for the region by electing rightwing leaders. Other countries, such as Bolivia, Ecuador Brazil and Venezuela, reaffirmed or began to follow an opposite position by electing leftwing leaders.

These differences are so notable that not only rightwing observers spent some time signalling the evil of the new populist leaders. Leftwing commentators, on their turn, do not waste time to declare their support to the emergence of 'socialism of the twentieth century' in the region, in particular in Venezuela. The question that remained to be answered is: *what has produced these intraregional differences in the political leadership?*

This article will argue that those differences are an expression (i.e. a form of realization) of the different forms of integration of both groups of countries in the New International Division of Labour in the last two decades and therefore in of the different specific development of these national processes of capital accumulation (Iñigo Carrera 2004).

Most South American countries, it will be argued, have remained with their previous insertion in the international division of labour as producers of raw materials. The largest portion of their industrial productions is still sold in the protected domestic or regional markets. Industrial (and commercial) capital in these countries has accumulated by compensating the increased production costs resultant from their small scale of production through the appropriation of a portion of the ground-rent. This process has taken form through state policies centred in the transference of the ground-rent to the industrial sector and the expansion of the domestic markets, such as the combination of an overvalued currency or export taxes with tariff protection. The emergence of the so-called neo-populist governments and their seemingly 'anti-imperialist' and even 'socialist' political positions will be mainly understood as being the necessary political form taken by these national processes of capital accumulation under the context of the recent expansion of the ground-rent available for appropriation by industrial (and commercial) capital.

In most of the Caribbean Basin, it will be argued, industrial capital has been accumulating through the production of certain manufacturing goods for the world markets, taking advantage of the vast availability of a relatively cheap and disciplined labour force, particularly suitable to perform several labour process as an auxiliary of the system of machinery (e.g. in the automobile and auto parts industries in Mexico) or as a manual partial member of a modern manufacturing division of labour (e.g. in the apparel and electronic industries). Public policies in these countries have centred in the consolidation and maintenance of those necessary conditions for industrial capital to accumulate under that specific base. The political repression of working-class activities and the maintenance of relatively low wages are some of them. The NAFTA and the several free-trade agreements signed by each country with the US are another. These policies could not have been implemented by other than rightwing governments.

Both of these forms of capital accumulation, though different, express specific restrictions to the development of the productive subjectivity of the Latin American working class and therefore to the development of society's productive forces. Their analysis is a necessary concrete form of any political action aiming at the real transformation of the Latin American societies.