

Latin America in the Time of COVID

January 22, 2021



"We have a choice, to die of hunger or to die of the virus."

—A Mexican market trader

In Latin America, as elsewhere, the health crisis has exposed the brutal realities of the global capitalist system: the extreme inequality that has marked the global economy and the destruction of social services and public resources in the interests of private capital euphemistically called "structural adjustment," and later, and even more ironically, "the war on poverty" declared by the World Bank. And that has continued into the COVID era at an accelerating pace. Even in the face of what purports to be a universal pandemic, the very rich—Jeff Bezos and Bill Gates among others—have increased their enormous wealth as the bulk of the planet's population pays for the contraction of the world economy. And that will be the pattern, as the gulf between the rich and the rest grows wider and the costs of the pandemic are passed on to its victims again.

In some ways, Latin America exposes the brutality of a global capitalist system in its most naked forms. Three decades of "structural adjustments" left the state weakened and deprived the public sector of resources. At the same time, the organizations of self-defense of workers, indigenous communities, the urban poor—from trade unions to grass-roots and community organs—were repressed and undermined. Neoliberalism not only exacerbated the unequal distribution of income across the world, it systematically attacked the capacity of the majority populations to protect themselves and removed what instruments of popular mobilization existed within the state. It had already announced the nature of its project in its first experiment, the overthrow of the Allende government in Chile in 1973 and its replacement by a brutal military regime. In this way, it created the conditions that would allow the spread of the virus across the region.

The ecological destruction implied by the expansion of export agriculture laid waste to 25 percent of the Amazon rainforest, not only reducing biodiversity but also hastening the human-animal contact that is one source of the new viruses. The commodity boom of the nineties and beyond expanded mining across the region at a rate and with an urgency fueled by the Chinese construction boom. As the local state was progressively weakened by privatization and disinvestment in the public sector, those controls on production that existed were pushed aside and water supplies were contaminated, and rivers polluted, with the mercury and other chemicals associated with the extraction of gold. The widespread use of pesticides and the spread of genetically modified crops in an agricultural

sector producing soya and palm oil for the world market, and the expanding cattle-raising across the region, took their huge environmental toll. The cost of the association of hamburgers with modernity and growth has been incalculable. And that expansion of export agriculture has reduced dramatically the amount of land available for domestic food production, replacing that food with imported consumer products and expelling millions of small farmers and agricultural workers from the land.

These former agricultural workers are now internal migrants who live in the slum cities surrounding Latin America's megacities, where the absence of sanitation, the polluted water supplies, and the fragile housing vulnerable to floods and earthquakes prepared the ideal circumstances for the rapid spread of a virus. These populations—once small farmers or workers, now without jobs as deindustrialization followed the transformation of the land—became “informal” workers, another distortion of language to veil a reality of precarious, unstable jobs along with low wages, the absence of protection at work, and a dependence on family incomes. In the overcrowded street markets, they sell cheap imitations of the luxury consumer products that are on sale inside the bright new shopping malls built by their labor. Those who cannot find work continue their perilous journeys to the United States or Europe, where they inhabit the shadow world of the undocumented—casual laborers in construction, cleaning, domestic labor, or the sex industry.

Across Latin America, the remittances from those migrants now make up around a third of the region's gross domestic product. As the public sector in Latin America, including health, education, housing, and transport, shrank, it was the remittances that filled the gap. The cruel irony is that it fell to the poor to support the poor.

Neoliberalism

In September 1973, in Chile, a military coup led by Augusto Pinochet overthrew the popularly-elected reform government of Salvador Allende. Allende's crime was to introduce economic measures designed to take the profits from the production of copper, Chile's principal export, and use them to develop new industries and lay the foundations for a welfare state—improving the health service, democratizing education, and redistributing land and wealth for the benefit of the majority. It was not a revolutionary program, but it was driven by a democratic impulse and was actively supported by an organized mass movement. Allende was killed in the course of the coup, and the new government attributed its policies to the ideas of Milton Friedman, the guru of neoliberalism. Its argument that capital must be allowed to move freely across the planet in search of profit required the “removal of obstacles to trade.” Chile demonstrated that in practice this meant the suppression of workers' organizations, active repression by a terrorist state, and the elimination of human and civil rights. The Constitution of 1980, written by the military regime, continued in force, despite consistent opposition, until October 26, 2020, when 76 percent of those voting in a long-postponed referendum demanded a new, democratic constitution. But in the intervening years, Chile became a model for a society dominated by the interests of private capital; its state pension plan was private, and it still has no universal public health system.

The 1994 Zapatista uprising in Chiapas, Mexico, occurred as state subsidies to small farmers growing maize were removed, leaving the market open to domination by U.S. corn-farming corporations. As the first “Dispatches from the Lacandon Forest” explained in their characteristically poetic language, the Zapatista communities were the victims of an expanding neoliberal global capitalism for which the local state and all public services continued to represent obstacles to the free movement of capital—one requirement of which, of course, was the severe restriction of the freedom of migrant laborers to cross the planet in search of work.

Yet the new millennium did change the face of Latin America after a decade in which austerity and

cutbacks affected the lives of the majority, including the more than 60 percent of the population working in the “informal” sector. The collapse of Eastern Europe had a profound effect on the Latin American left, which seemed to sink into a kind of melancholia as “actually existing socialism,” in its demise, was revealed to veil tyranny and dictatorship and to have been driven by the laws of motion of capitalism. The moment was famously described as “the end of history”—though that was intended to mean that capitalism now prevailed and all alternatives were now consigned to memory. Yet in a remote corner of Mexico, this was denied, and the message was broadcast widely on the newly emerging World Wide Web.

The election of Hugo Chavez to the presidency of Venezuela in 1999 seemed to signal a new “Bolivarian” epoch—a new radical nationalism opposed to neoliberalism and challenging U.S. imperialism, which Chavez did with wit and charm. The program of the new republic and the content of its new Constitution, passed by a delegate assembly late that year, promised that the oil industry, which provided 90 percent of Venezuela’s export earnings, of which only 1 percent returned to the public treasury in royalties, would now be nationalized. That income would then be employed to lift the living standards of those 65 percent of Venezuelans who had been reduced to poverty in the preceding decade; it would be invested in providing health services, education, and housing for the majority population. It was in a sense a return to the unfulfilled program of the Allende government, with its promise of reestablishing national sovereignty and breaking the economic dependence on a single product, owned and distributed by foreign capital, that had subordinated the country to an unequal and exploitative relationship with the global market. In Chile’s case, that product was copper; in the case of Venezuela as well as Bolivia and Ecuador, it was oil.

Two events drove the new process in a more radical direction. At the beginning of 2000, the Bolivian government’s decision to sell off the city of Cochabamba’s public water company generated a movement of popular resistance that drew together workers, farmers, market traders, community activists, local students, and the surrounding indigenous communities in a Committee for the Defense of Water and Life. The movement’s determined struggle forced the government to reverse the decision and return the water company to public control. The same situation, and the same outcome, recurred in the indigenous city of Los Altos, high above La Paz, in 2003. It was a first popular victory against privatization and neoliberalism. It was not just the victory itself that was important, but also the manner of its achievement. The organized left was largely absent from the movements, and the method of organizing was inspired by indigenous traditions of struggle and by an insistence on democratic and transparent forms of organization, often based on historical experience, that echoed the anti-capitalist movement that was spreading across the world. The emphasis was on “self-activity” or “self-emancipation,” as well as on the idea of the common ownership of natural resources.

The second key event was the attempted coup against Chavez organized by the oil company managers and their multinational supporters in April 2002. The coup was a spectacular failure. Chavez was kidnapped but then released when hundreds of thousands of Venezuelans surrounded the presidential palace and demanded his return. What these events had in common was that the outcomes were driven by mass mobilizations—the majority was seizing the stage of history and beginning to articulate a vision of a different kind of society. But the movements still lacked a political project, a strategy for achieving this new world. The logic of the “new social movements” pointed in the direction of the “participatory democracy” on which the new Bolivarian Constitution was based. For the moment, as the movements grew in Bolivia and Ecuador, overturning governments in the process, the alternative logic—the conquest of state power, of government—in the absence of an organized left did not command much authority.

The two logics came into conflict, however, in the practice of the new movements. When Evo Morales, Bolivia’s first indigenous president, was carried to power in late 2005, a debate arose about

the delegate convention called to rewrite the country's constitution. The grass-roots organizations were denied representation at the meeting in favor of political organizations like Morales's Movement toward Socialism (MAS). Similar issues emerged in Ecuador, where it was the indigenous organizations around CONAIE (Confederation of Indigenous Nationalities of Ecuador) that initiated mobilizations in the 1990s. These organizations brought down three presidents in the early 2000s who had attempted to introduce measures favoring the interests of global capital. Rafael Correa, an economist, was elected to the presidency as a supporter of this new movement, which Hugo Chavez characterized, at the 2003 World Social Forum, as "twenty-first-century socialism" and others described, perhaps patronizingly, as "the pink tide."

Through the first decade of the new century, the promised changes began to be enacted. In Venezuela, Cuban doctors staffed the new health service in the barrios, Barrio Adentro. Public education was expanded and new housing initiatives inaugurated. In Bolivia, the multinational and multilingual character of the new parliament reflected the arrival of the majority indigenous population to the center of political and cultural life, from which they had been excluded through the preceding centuries. Oil and gas production, while not fully nationalized, was placed under public control and the revenues used to advance social programs.

This did not go without opposition. The eastern provinces, collectively known as the Half Moon (*Media Luna*), where much of the country's oil and agricultural wealth was concentrated and whose population was predominantly white and racist, organized a systematic assault on the Morales government and laid siege to the constitutional convention. Morales supporters in the east were persecuted and killed, and the ruling groups in the region (like their fellows in Ecuador around Guayaquil) threatened to divide the country. In any event, the new constitution was passed in 2009, and Morales reached an agreement with the Media Luna to respect their economic interests in exchange for their recognition of his government. In Venezuela, the opposition was expressed through the media and by the large-scale export of capital and running down of industry.

The Tide Turns Back

The central issue facing the pink tide was how to break the dependence on a single export by diversifying the economy. Politically, the question remained the meaning of national sovereignty and the relationship between the state and the movements from below on the one hand, and between the national state and the global market on the other. How far could the nation-state exercise control over the global market? Or would the process be reversed and neoliberalism allowed to reclaim domination?

Hugo Chavez died of cancer in early 2013. In his last written document, he called for a *golpe de timón*, a hard turn of the rudder, arguing that the revolution had not succeeded in transforming the state. On the contrary, the state seemed to have absorbed the revolution. His successor, Nicolás Maduro, was elected in April that year with a bare majority. He did not have Chavez's charisma nor his level of mass support, but beyond that the *chavista* process was starting to fail. In practice, participatory democracy had given way to the domination of a party, the United Socialist Party of Venezuela, which Chavez had created in 2006 and which had become the apparatus of state power, administering the system from above. Oil production was not increasing despite repeated assurances that it would, prices for consumer goods were starting to increase, and shortages were becoming noticeable. It was also becoming clear that a new *chavista* bureaucracy in the state had inherited and continued a long tradition of corruption, and this affected industry as well as public services. The public health services, for example, and the hospitals in particular, were running short of medicines and equipment that were never delivered or were stolen. Military spending was rising and would do so at an increasing pace under Maduro. Widespread currency speculation was enabled by a system of providing importers with dollars at a very low exchange rate. Imported goods were then

resold in Venezuela (or increasingly in Colombia) at black-market rates of exchange many hundreds of times the official rate. This raised the price of imported goods, the more so since local production was grinding to a halt. Throughout 2014 the right organized opposition in the streets, using burning barricades maintained by hooded youths to raise the political temperature. But when, in December 2015, the right wing won a majority in the National Assembly, the election was not an active vote for the bourgeois opposition but a warning shot to the government from a population frustrated by inflation, shortages, and endless queues at supermarkets as well as by the government's incapacity to control prices and stop speculation.

In Chile in 2012, neoliberal education reforms (essentially privatization) produced huge student demonstrations marked by both militancy and imagination. In 2013 mass protests erupted in Brazil around issues of public transport, inadequate health services, and housing, involving some two million people. In 2014 the demonstrators returned to protest the diversion of public funds to finance the World Cup and the Olympics at the expense of public services. Corruption was again a major issue and a sign that Lula's public support was eroding. In 2015-2016 it was Dilma Rousseff, Lula's nominee for the presidency, who came under public fire with renewed allegations of corruption. The resulting crisis opened the way for Jair Bolsonaro to shift the political spectrum to the far right with his overtly racist and sexist ideology. In Ecuador, Rafael Correa was coming into direct conflict with the indigenous movement over concessions to foreign (mainly Chinese and Canadian) mining and oil companies. He accused them of "Pachamamismo"—Pachamama is the indigenous movement's term for Mother Earth and refers to their concern with the conservation and protection of the environment against the rapacity of global capitalism. By the time of Correa's resignation in 2017, it was becoming clear that neoliberalism had reclaimed its dominion in Latin America. In Ecuador, Peru, and Colombia multinational corporations had returned to the mining industry, and they dominated the agricultural sector in Brazil, Argentina, and Colombia. In Bolivia, the confrontation between indigenous farmers and the Morales government over a decision to build a highway through indigenous communities called into question the nature of the project. The highway was essentially built to favor Brazilian export interests. Bolivia was also negotiating with Asian corporations for the exploitation of coltan and lithium deposits. But the emblematic case was in Venezuela, where the Arco Minero project, covering 12 percent of the country's portion of the Orinoco River drainage basin, was put up for sale to foreign companies wishing to exploit the enormous mineral, oil, gas, and gold wealth of the area, with devastating environmental consequences.

The protest movements continued and deepened. In Nicaragua, the leader of the 1979 Sandinista revolution had created an effective dictatorship under the Sandinista name and signed a \$40 billion contract for the opening of an interoceanic canal, which would, among other things, rob the country of its fresh water supply. When cutbacks and austerity measures were announced in 2018, mass protests were brutally repressed, leaving 600 dead and thousands injured and detained by the Ortega regime. Yet he still claimed to represent twenty-first-century socialism. In Chile that year, what began as a protest over increased transport prices became a more general protest over public health and education cuts and rising levels of poverty. In the following year, repression became more brutal and police targeted tear gas at the eyes of demonstrators, many of whom were blinded. In October that year, a mass movement of resistance in Ecuador known as *El Estallido* (The Explosion) brought together urban and indigenous movements in protest against new economic measures. The movement occupied Quito, the capital, for two weeks. In Colombia, police violence and the decline of public services as well as increasing poverty levels generated a huge protest movement in November (N-21).

The arrival of COVID-19 certainly stopped the protests in their tracks—partly because the initial lockdowns made mass gatherings impossible and were used by the state to demobilize the

movements. And in part, it was the sectors of the population who were involved in the protests that were most severely affected by the virus.

The Arrival of COVID

In his study of viral outbreaks, *The Monster Enters**, Mike Davis notes that defense against the new plagues requires “the suppression of [the] ‘structures of disease and emergence’ through revolutionary reforms ... which no capitalist or state capitalist country can allow.” No such measure was taken in Latin America, and the general conditions made it impossible to carry out when COVID arrived. With the exceptions of Uruguay and Costa Rica, no Latin American country came even close to the World Health Organization’s recommended minimal spending on health of 6 percent of gross domestic product.

Brazil under Bolsonaro now occupied third place in the number of deaths, behind the United States and India. Trump and Bolsonaro have taken the same position of dismissing the reality of the virus, both claiming it was no worse than the flu. In Nicaragua, the Ortega dictatorship was cynical enough to claim that God would look after Nicaraguans and then to summon weekly street demonstrations under the banner of “Love in a Time of COVID.” Several members of Ortega’s government have died of COVID, but numbers for the wider population are at best unclear. The most surprising and disturbing case of willful denial is Andrés Manuel López Obrador (Amlo), elected president of Mexico in 2018 as “the people’s candidate,” vowing to end corruption and restore public spending. His response to the virus has been to call for unity with Mexico’s capitalist class and delay measures for months. When asked by a journalist to explain his policy to contain the disease, he produced an amulet—a lucky charm—as his reply. In each of these cases, the cold reality is that these regimes have placed protecting the economy, and profit, before protecting the people. When the virus hit, Mexico was 200,000 doctors and 300,000 nurses short of what was needed by the public health system. Chile had no public health system at all. Peru and Colombia did take measures more rapidly, but both had seen their public sector drained of resources through the preceding years. Bolsonaro has invited loggers into the Amazon, bringing not only great harm to the biosphere but also bringing the disease to indigenous populations without medical services. Bolsonaro is a racist who has explicitly announced his lack of interest in the fate of Brazil’s indigenous communities.

The Venezuelan crisis is a tragedy. This oil- and mineral-rich country whose Bolivarian revolution took 80 percent of its people out of poverty and promised to dedicate its oil revenues to the public good is in a state of collapse. The right-wing campaign led by Guaidó, with enthusiastic support from Trump, has done nothing at all in the face of COVID-19 and has no strategy to do more. Its erstwhile and probably future leader, Leopoldo López, who is now in Spain, has simply promised more violence along the lines of 2014. Maduro, the inheritor of *chavismo*, has overseen a developing crisis that drove five million Venezuelans into exile, has overseen shortages of basic foods and hunger in the streets, and has permitted a scarcity of essential drugs and the destruction of public hospitals while electricity and water networks are at the point of collapse. The oil industry, destroyed by technical and administrative failures, is producing barely a fraction of what it produced ten years ago. Astronomical levels of inflation have made it virtually impossible to survive. The multiplying protests over the lack of petrol supplies and other shortages are dismissed as right-wing outcries and repressed. All this in a situation of rampant corruption and an increasingly authoritarian regime dominated by the military and using them to suppress resistance. It is true, as Maduro’s supporters say, that the United States has used economic sanctions against Venezuela, has financed the Guaidó campaign, and has used every forum to denounce and intimidate Venezuela. But that is only part of the explanation for the current disaster, which began before Trump. Most damning of all is the recent announcement of a new economic decree that effectively offers Venezuela’s oil and mineral resources for privatization, a process that in practice began in 2016 with the Arco Minero project.

What Future?

For socialists and progressives, the devastation caused by COVID has its causes in a global capitalist system, which time and again set aside preparations for a possible future virus, as Mike Davis points out. It has cut and undermined public health provisions and privatized essential services. The system has found resources to save its own, as it did in 2008, but it will very soon come calling to demand that the victims pay the price. It is important that we are prepared and organized to resist, armed with a clear vision of the kind of society that can address the needs of the many.

This will not be preaching to empty stadiums. Hundreds of thousands of people joined protests and demonstrations across Latin America in the last three years alone, demanding proper public services and a state that responds to their needs, not the demands of the global market. In the enforced immobility of COVID, the conversation has not ended. On the contrary, the reality of climate change, the consequences of environmental destruction, the distortion of social priorities that puts profit over health and survival, the absurdity of paying off debts to the very banks and financial institutions that caused the crisis in the first place are the topics of conversations everywhere. The idea of “*buen vivir*”—a mode of life in equilibrium with the natural world that places quality above quantity, that sees cooperation and solidarity as the central human values—has found its echo in the responses of grass-roots communities and organizations throughout the region. At the center of it all will be one demand: the right to health. It is, at this moment, a revolutionary demand because it addresses directly the prevailing values of the current order and of a socialist future.

Note

*OR Books, 2020, p. 18.