Mexican Politics—REGIME TYPE, ECONOMIC DEPENDENCY, LATE DEVELOPMENT, AND DEVELOPMENT STRATEGIES

• REGIME TYPE

- Authoritarianism vs. Totalitarianism
 - Authoritarianism: limited pluralism, low mobilization
 - Totalitarianism: ideological, high mobilization
- o Latin America—emergence of democracy in 1950s
 - Prerequisites for democracy argument—income and education
 - Linear--economic development positively affects political development
- o Emergence of authoritarianism in 1960s
 - Bureaucratic-authoritarian argument stages of eco. growth
 - Curvilinear--economic development positively affects political development until the stage of hard Import-Substituting Industrialization, or ISI (austerity, capital accumulation, IMF)
- Stages
 - Export-oriented stage (1880-1930, roughly): traditional oligarchy
 - Easy ISI: populism
 - Hard ISI: Bureaucratic-authoritarianism
- o Emergence of democracy in 1980s, due to:
 - Cycles?
 - Prerequisites of income and education?
 - Military exits due to either:
 - Failure (Argentina); or
 - Success (Brazil)
- o Difficult to classify Mexico—qualifiers:
 - Benign authoritarianism.
 - Relatively or partly free.
 - Societal pluralism (individual freedom) with systemic authoritarianism (lack of electoral competition and little multiplicity of groups)
 - Use media as brief sample L & S in Ch. 4 cover this.
 - Evolution of B-A? Not a qualitative change such as Argentina or Brazil, but growth of technocrats up to 2000.

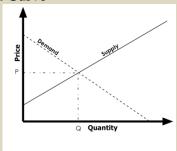
• LATE DEVELOPMENT

- o Occurs after initial development and modernization in the First World.
- o Role model (younger sibling example)
- Demonstration Effect
- Revolution of Rising Expectations
- o Some aspects of modernity too easily acquired
- o <u>Small is Beautiful</u>, E.F. Schumacher ("intermediate technology for development in the third world," Less is More, Natural Capitalism, Voluntary Simplicity)
- o Technology: capital- vs. labor-intensive
- o Exposure to modernity, but society not able/ready to respond/assimilate.
- o Destabilizing-destructive to culture, health, economy, etc.

- o Capital accumulation early stage (U.S. Industrial Revolution) is skipped.
- o Inappropriate technology.
- o Rapid urbanization and population growth

DEPENDENT DEVELOPMENT

- o Foreign Trade
 - Imports and Exports
 - 1 or 2 leading Exports
 - Geographic partner concentration
 - U.S. Embassy
- Foreign Capital
 - Private Investment (MNCs) and lending (debt)
 - Foreign aid (public)
- o Impact
 - Decapitalization
 - Mexico Inflation Rates
 - US Inflation Rates
 - Inflation Rates
 - Deteriorating terms of trade
 - Price of exports relative to price of imports declines.
 - Example: In 1960 the exportation of a unit of coffee costs \$50 and the importation of a refrigerator costs \$50. But in 1970 the exportation of a unit of coffee costs \$75 while the importation of a refrigerator costs \$50.
 - Supply and Demand Curve



- o If the Demand Curve shifts "downward," prices are reduced (Monetarism).
- o If the Supply Curve shifts "upward," prices are reduced (Structuralism).
- Boom and bust cycles
- Economic growth positive but human costs
- Economic concentration no redistribution
- Political repression and/or foreign intervention.

• DEVELOPMENT STRATEGIES

- Conservative Modernization
 - Accept dependency, open eco., intl. division of labor
 - Monetarism (control inflation through demand), austerity (exs.), IMF,
 Milton Friedman, Chicago School
- o Progressive Modernization

- Manage dependency (protectionism, f.i.), reform (tax, ag.), UNECLA, Raul Prebisch
- Structuralism (control inflation through supply)
- o Revolution
 - Reject capitalist dependency, closed economy? autarchy?
 - Equity, state role, basic needs
 - Cuba