

some out-of-date ideas about the ability of the human race to survive environmental crisis. The fact that it has done so in the past is no guarantee of its ability to do so in the future. Environmental factors are interconnected and, if Goldstone is right, social disorder leading to revolutionary change in the Third World will make it increasingly difficult to concert any coherent global response to the crisis, just as it becomes crucial to do so.

The remaining chapters offer more detailed views of individual factors in revolutionary change. Eric Selbin argues for bringing agency 'back in'—for those of us for whom it has never been out this will not be a problem; can one imagine the Cuban Revolution without Fidel Castro? Valentine Moghadam assesses the contribution of gender and Christopher McAuley that of race; both contributions help inform our knowledge of structure and process in more detail and both, for that matter, are essential in interpreting events in Cuba.

In the last two chapters the editor himself returns to the theme of culture, reiterating the argument he advanced in *Critical Sociology* (1992) that Third World social revolutions require five interrelated causal factors to combine in a particular conjuncture: the causes being dependent development, a repressive, exclusionary, personalist state and powerful cultures of resistance, and the conjuncture economic downturn and a world-systemic opening, ie international support, opposition or merely disinterest in the outcome (p 228). The Boolean analysis of cases that follows confirms that, as one would expect, there is a number of defined scenarios to which various combinations of these factors can lead. What is missing, sadly, is the politics—the chain of action that transforms cause into process. The book as a whole, therefore, offers little that is new, almost all of the energy of its contributors going towards warming the academic stratosphere by criticising the work of others. But it does fulfil its first aim, that of informing readers about current issues and debates.

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Neoliberalism Revisited: Economic Restructuring and Mexico's Political Future

Gerardo Otero (ed)

Boulder Co: Westview Press, 1996

pp 288, \$73 hb; \$24 pb

Privatization and Political Change in Mexico

Judith A Teichman

Pittsburgh, PA: University of Pittsburgh Press, 1995

pp 291, \$45.00 hb; \$19.95 pb

In Latin America, only Chile began its neoliberal economic restructuring process earlier and only Chile has gone further in that process than Mexico. Mexico's long-ruling Institutional Revolutionary Party (PRI) has changed its economic nationalist ideology to fit the neoliberal programme, the once overwhelming state sector of the economy has been largely privatised, the trade protection long enjoyed by the Mexican private sector is gone, and foreign investment has flooded into (and at times, out of) the country since neoliberalism became clearly established in 1986 with Mexico's entry into the General Agreement on Tariffs and Trade (GATT). Once the prototype of state-led, import-substituting industrialisation (ISI) behind a banner of anti-*yangui* economic nationalism, Mexico now struggles for economic development under a firmly liberal programme whose only staunch opponent is Zapatista leader Subcommander Marcos. The story of the dismantling of state-led ISI and its political consequences is told in these two studies of neoliberal Mexico.

Teichman focuses her analysis of Mexican neoliberalism on the privatisation of Mexican public enterprise. Although not the only dimension of neoliberalism (removing trade and investment restrictions and cutting the government budget deficit are others), privatisation is perhaps politically the most difficult aspect of neoliberal restructuring. Public sector enterprises had been central to Mexico's development model since the 1930s, they had taken as much as half of government expenditures since the mid 1960s, they had grown in number to over 1,100 by 1982, and their workers were the most insurgent. Privatisation required turning the nation's back on a

nearly 50-year-old approach to development, eliminating many appointed positions for political elites, and resisting labour unions who feared privatisation would prejudice their leaders' and their members' interests. Teichman carefully describes the truly monumental scope of this project in much detail.

Central to Teichman's explanation of Mexican privatisation is intra-bureaucratic struggle between the financial agencies of the state and other agencies involved in economic policy making. As she demonstrates, the Ministry of Finance and the Central Bank had long preferred a more private-sector based economy, and the debt crisis of the 1980s provided them with the opportunity to push their vision of neoliberalism against their opponents in the state, those overseeing state enterprises, industrial development and labour. While the state initially resisted the more drastic measures urged by international financial institutions to address the debt crisis that emerged in 1980–81, by 1985–86 Mexico's inability to resurrect itself under more heterodox adjustment policies strengthened the hands of Carlos Salinas, then Minister of Planning and Budget, the architect of the more severe privatisation programmes that he put in place when president (1988–94). With Salinas's consolidation of power came a rupture that produced a new left party, the Party of the Democratic Revolution, led by Cuauhtémoc Cárdenas.

With reference to the union base of the PRI, Teichman argues: 'Mexico's post-1983 economic restructuring program affected the traditional system of labor incorporation in three ways: (1) at the confederation and union levels, it deepened divisions ... making control through a single national labor organization virtually impossible; (2) it undermined the loyalty of *charro* union leadership to the state; and (3) it eroded rank-and-file support for both *charro* leadership and the PRI' (p 163). This made Salinas's election difficult, but he turned around and purged the leadership of the unions most opposed to him and implemented a bold, neoclientelist programme, the National Solidarity Programme, to bypass the traditional pillars of the PRI. This leads Teichman to conclude: 'We are not witnessing the emergence of pluralism, which would entail the eradication or reduction of corporatism and clientelism ... we are witnessing a system that combines corporatism and clientelism in new ways and entails an extreme degree of policy centralization in the hands of the president and his closest advisors' (p 192).

This was Salinas's project, the modernisation of authoritarianism. But Salinas and his group overreached, and following the financial collapse of 1994–95, this model went by the wayside. Clientelism is no longer affordable, and corporatism showed itself to be ineffective in the 1997 elections. Teichman is not the only scholar to have overestimated the staying power of the remodeled authoritarian presidential regime, but she is among them. In the course of doing so, she underestimates the PRD and largely ignores the conservative National Action Party (PAN) which, though it supported Salinas on neoliberal restructuring, has consistently advocated democracy and has been rewarded by the electorate for that reason since 1994. Moreover, in concluding that 'political liberalization and democratization is contingent on the sustained success of Mexico's new economic model', Teichman follows many other scholars in assuming that democratisation is solely a matter for the elites who have governed, not for the masses who vote and vote against rampant corruption and failed economic policies. The PRI's electoral setback in 1997 has given both the PRD and the PAN opportunities to govern at the state and local level and to share power with the PRI in congress precisely because of the new economic model's failure and the voting public's reaction to that failure.

In *Neoliberalism Revisited*, editor Gerardo Otero writes with the advantage of having witnessed the financial crisis of 1994–95. Although Otero outlines several scenarios for Mexico's future, he and other contributors to the volume tend to view contemporary Mexico's prospects as boiling down to three alternatives: a hardening of the authoritarian regime, a transition to what contributor Ilán Semo calls 'elite democracy', or the emergence of what Semo terms 'societal democracy' and Otero labels 'social democracy'. For Otero and his co-authors, the latter, which includes a more equitable distribution of income and environmentally sustainable development, as well as an electoral democracy with the active participation of the organisations of civil society in national decision making, defines the desirable future for Mexico.

Otero's volume gives more emphasis to the role of international forces in shaping Mexico's neoliberal experiment than does Teichman's book. Otero suggests that the forces of globalisation to which the Salinas government responded with neoliberal reforms grew out of a crisis of production in the USA. NAFTA and other hemispheric trade bloc proposals thus reflect a US desire

to maintain regional hegemony via a captive market at a time of unprecedented challenge from other industrial powers, in the view of Gustavo del Castillo V, who gives Mexican leaders remarkably little volition in his analysis of the forces creating NAFTA. The contributors to *Neoliberalism Revisited* generally see the forces of globalisation as dominant in a way that precludes most nationalist responses in economic policy. This is underscored in Otero's conclusion, in which he does not even bother to discuss the scenarios he sees as logically possible but politically unviable, those involving a return to state-led development, most probably via a return to ISI.

Given the emphasis on the forces of globalisation, it is thus curious to observe how the contributors to *Neoliberalism Revisited* continue to seek a strategy of *national* development for Mexico that would lead it to social democracy. Gary Gereffi provides the exception to this tendency, praming the issue superbly in his chapter on the maquiladora industries: 'With North American integration, the very concept of "national development" is being redefined. *Indeed, it already may be outdated*' (p 100, emphasis added). The political scenarios posed by Semo and Otero, however, tend to incorporate an assumption that the national state can and should control national development. Semo, for instance, poses 'elite democracy' and 'societal democracy' as two scenarios for the future, while Otero sees 'liberal democracy' and 'social democracy' as two possible futures. 'Elite' or 'liberal' democracy would involve a PAN victory at the national level and an exclusion of the organisations of civil society from participation in national decision making. 'Societal' or 'social' democracy would, in contrast, incorporate civil society into political society or, as Semo would have it, a 'process of state diffusion' wherein 'the sanctioning of new forms of management of the economy and social conflicts ... provides the social basis of societal democracy' (p 111). Societal democracy would thus be more likely to lead to the 'desirable development' that Otero says all contributors to the volume advocate.

These analyses display a partisan preference for the PRD over the PAN that may unfairly represent the commitment to participation and democracy by major elements within the PAN. Beyond that, however, these political scenarios are posed as two more-or-less mutually exclusive alternative paths if democracy is to come to Mexico. Yet, if the authors' emphasis on the power of globalising forces is correct, achieving social democracy may be as unviable as the economic nationalist scenarios Otero discards from his analysis, regardless of the volition of the political actors. If, as del Castillo suggests, the fluid nature of global capital makes even regional integration inadequate to deal with Mexico's development challenges, attracting investment capital and undertaking social reforms to promote environmentally sustainable and equitably distributed development may be impossible to combine. In this circumstance, many Mexicans might find 'liberal democracy' an attractive future, even if second-best in the eyes of these analysts, for it may at least bring economic growth along with a capacity to choose one's governors.

As Gereffi writes, 'The challenge for development studies is to discover how to promote an enhanced quality of life, participatory institutions, and a strong sense of cultural identity while national borders are becoming ever more porous' (p 100). Contemporary Mexico illustrates perhaps better than any other case the ways in which the quest for these elements of a good society have led to political conflict, with all contending perspectives represented, as these studies show. However, these may be conflicting goods, difficult to achieve in an increasingly hostile international environment, despite the good intentions of development scholars.

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The Absence of Peace: Understanding the Israeli-Palestinian Conflict

Nicholas Guyatt

London: Zed Books, 1998

pp 188

Although this book comes at the 50th anniversary of the establishment of the Jewish state in Palestine, its focus is centred on something other than the celebration. The book is highly critical

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