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Journal of Latin American Studies / Volume 48 / Issue 02 / May 2016, pp 433 - 435
DOI: 10.1017/S0022216X16000274, Published online: 15 April 2016

Link to this article: http://journals.cambridge.org/abstract_S0022216X16000274

How to cite this article:
doi:10.1017/S0022216X16000274

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and the disjunctures among public ideologies, consciousness and behaviour, the puzzle of race and racism in Latin America has only been deepened.

The good news in this book resides in its measurement of attitudes related to ethno-racial policies (ranging from affirmative action to protection of indigenous lands). Latin Americans favour such policies overwhelmingly, with 80 per cent being a commonly cited figure. The contributors speculate that this may be partly due to the fact that such policies, where they exist at all, have had a low impact thus far, but an alternative possibility is that mestizaje-oriented ideologies, no matter how contradictory, actually do lean towards fairness. It is encouraging moreover that although respondents favoured a variety of explanations for continued poverty among minorities, most recognised structural barriers as a principal cause.

*Pigmentocracies* is sure to be widely read and discussed by scholars, and let us fervently hope, policy-makers, who care about inequality in the Americas. In the end, the book succeeds in raising more questions than it answers. And therein lies its greatest contribution to Latin American studies. Young scholars have many puzzles to ponder and the data invite qualitative as well as additional quantitative investigation. Although PERLA ought to produce solid consensus around the conclusion that race, colour and ethnicity have deep and damaging consequences for the region, we still need, now more than ever, interdisciplinary attention to the question of how these socially constructed features of identity operate on the ground. Among other core issues is that whiteness and its privileges need to be problematised by social scientists and policy-makers. (And the authors of the chapter on Mexico make a good start.) Moreover, as the PERLA data become widely available (as the website promises), we can expect a new wave of theorising around both national and regional patterns. Although PERLAs contributors are not listed here, they are all to be congratulated for a landmark, seminal study of inequality, a deepening problem which promises to be among the most pressing challenges of the twenty-first century.

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Neither the global financial crisis, nor the ‘left turn’ in Latin America, nor the rise of state capitalism have turned back the tide of privatisation. Since 2001 the developing world has sold roughly 2000 state-owned enterprises, yielding roughly US$ 500 billion in proceeds. Privatisation continues to be a widely pursued strategy despite a decidedly mixed empirical record. Privatisations often fail or disappoint either because of early cancellation of contracts or because they fail to deliver the promised benefits. Nowhere is that truer than in the privatisation of utilities. Utilities are by nature politically sensitive sectors where prices and service quality are always salient. This presents a serious challenge considering that the sale typically entails huge investments and long-term contracts. As a result the chances for things to go wrong are high and given the importance of these sectors politically and economically the stakes are high too. So understanding why utility privatisations succeed or fail is a vital element in the broader understanding of the political economy of reform and development.
Alison Post’s new work on privatisation of water and sanitation deepens our understanding of the problem considerably. The book traces the process of privatisation and renegotiation of contracts at the subnational level in Argentina. It is an excellent study of the privatisation process in the turbulent politics of the country, especially since 2001. But, it is also much more than that and as such should be read by anybody interested in privatisation narrowly and the politics of economic reform more broadly. The book makes at least three strong contributions theoretically and methodologically: that institutional approaches to political economy cannot account for many important outcomes; that we need to examine preferences as they emerge from political relations and processes, not simply derive them mechanically from institutions or structure; and that these relations and processes need to be identified and traced in qualitative field research.

Post centres on the problem that even well designed privatisation contracts need adjustments as conditions change. Water privatisation in Argentina ran into trouble in circumstances that included deep financial crises, rising inflation and the election of ideologically hostile governments. That meant that contracts became out-dated and needed renegotiating. Surprisingly, many provincial governments were able to work out new contracts, even in turbulent, ‘leftist’ or ‘populist’ Argentina in the 2000s. But, perhaps even more surprisingly, it is domestic firms rather than multinational enterprises that worked out new agreements that allowed for continued investment. When conflicts arose over contracts, multinational enterprises were much more likely than domestic firms to simply write off the investment and leave the country, even in the face of international treaties and agreements to arbitrate disputes in developed countries’ courts. Drawing on a mix of detailed qualitative studies of Argentine provinces and quantitative analysis of a dataset of all water and sanitation privatisations from 1997–2008, Post shows that termination is much more frequent with foreign ownership (27 per cent of all contracts in Latin America for MNCs versus 2 per cent for domestic owners). This finding runs counter to the dominant approaches to utility privatisation, most of which turn on the character of a country’s institutions.

So, why are domestic owners so much more willing and able to renegotiate contracts and what does this mean for political economy? Post makes two important contributions to thinking about privatisation. The first is to remind us that it is a bargaining situation that evolves continuously over time. Institutionalist explanations lend themselves to static, mechanical arguments where preferences are fixed and the outcomes determined by the institutional configuration. But, privatisations involve shifting circumstances that alter both preferences and leverage for both government and firms. The question then is how and why are the parties to a contract able and willing to renegotiate it. Post’s second contribution is to show that the problem is relational rather institutional. MNCs tend to specialise in a single sector with investments all over the world. By contrast, domestic firms are more likely to have a range of interests/holdings across multiple sectors in a local setting, such as a single province, with dense networks of relations locally. In short, domestic firms with a strong cross-sectoral presence and dense social and political relations tend to have resilient contractual relationships marked by greater patience and a greater willingness to work out formal and informal arrangements to protect a contract. It is not guaranteed. But, the denser relations permit more flexible efforts to find mutually acceptable solutions. MNCs tend to have more brittle contractual relationships marked by the inability to renegotiate and greater reliance on mechanisms like international treaties that
actually heighten the stakes of conflict and worsen the bargaining relationship. In short, it is a combination of domestic political institutions and politicians along with firms’ organisational structure that shapes the bargaining relationship and the possibilities for mutually beneficial renegotiation.

Post develops this argument across a comparison of subnational governments in Argentina, beginning before the 2001 crisis and following through both the crisis aftermath and rapid recovery. Post does an excellent job laying out the alternative ways of accounting for post-privatisation outcomes, notably institutional, state capacity, and partisan politics, and at each step of the analysis showing how existing accounts do not provide adequate explanations of the pattern of contract renegotiation or termination. She concludes with a quantitative analysis of all privatisations in the sector since 1990, and finds persuasive support for her argument. It is clearly essential reading for anybody interested in privatisation in Argentina, or privatisation in the water and sanitation sector. But, it also stands as a crucial response to the institutionalist approaches that have dominated studies of political economy in recent years and a reminder of the value of field research and knowledge that can only be teased out of deep understanding of local contexts.

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When Evo Morales’s government called a Constituent Assembly in 2007, two indigenous organisations stepped forward as key protagonists. The Confederación Sindical Única de Trabajadores Campesinos (CSTUCB) (Unitary Union Confederation of Peasant Workers) and the Consejo Nacional de Ayllus y Markas del Qullasuyu (CONAMAQ) (the National Council of Ayllus and Markas of Qullasuyu) represented nearly all of the country’s indigenous peoples during the assembly’s 2006–07 deliberations.

Radoslaw Poweńska’s rigorous and thoroughly researched study uses social movement theory to examine these organisations’ history and their roles in the assembly. His main contention is that not only does collective identity shape the form an organisation takes, coherence between these two aspects is essential for the organisation to effectively represent its members’ demands. Collective identity and shared values are critical to movement formation, and also shape organisational structure, agenda and strategy as Poweńska admirably demonstrates through a wide-ranging use of secondary sources, both Bolivian and international, and extensive interviews with social movement actors.

While the Morales government embraced the social movement demand for a new Constitution, it also made concerted efforts to control the Constituent Assembly process through its influence over the Pacto Unidad. This Unity Pact was formed in 2004 and comprised of the country’s five principal indigenous movements, including the CSTUCB and CONAMAQ.

Radowska posits the ayllu as the key element in understanding both highland state-indigenous relations and who the CSUTCB and CONAMAQ were when they participated in the Constituent Assembly. Despite regional variations, he contends that the ayllu’s high degree of internal organisational coherence and its defence of