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Historical experiences for a new Americanism

There is a growing risk that class and political sectors will take hold that only plan to clean everything up with the establishment of fascist regimes, which will wipe out "populisms", "progressivisms" and "leftisms".



Since the beginning of the twentieth century, the United States has become an obligatory reference for Latin America. This had to do with American economic expansionism and the permanent use of monroism, an ideology of the diplomacy of the gigantic country, which ensured its hegemony on the continent. From those times, the history of Latin American countries, until the twenty-first century, cannot be understood exclusively by internal processes, but by the constant presence that, sometimes directly and sometimes

indirectly, the policies of the United States have had to cultivate and maintain that hegemony.

Among so many events and processes that can be studied, I will highlight three, for the unique historical significance they have.



In the first place, there is the [Kemmerer Mission](#), after the name of the person who presided over it: the economist [Edwin Walter Kemmerer](#) (1875-1945), who was a professor at Princeton University and acted at the head of a group of professionals hired by Mexico (1917), Guatemala (1919), Colombia (1923), Chile (1925), Ecuador (1926), Bolivia (1927) and Peru (1931). In all these countries he promoted monetary and financial reforms, whose axis was the foundation of Central Banks, under the model of the Federal Reserve (FED) of the United States founded in 1913. Such banks were private institutions, constituted as anonymous companies, in which commercial banks participated, as shareholders, and, in addition, other investors. The Central Banks assumed the monopoly of monetary issuance, under the "gold standard". But the Mission also promoted the establishment of the Comptroller's Offices and even the Superintendencies of Banks.

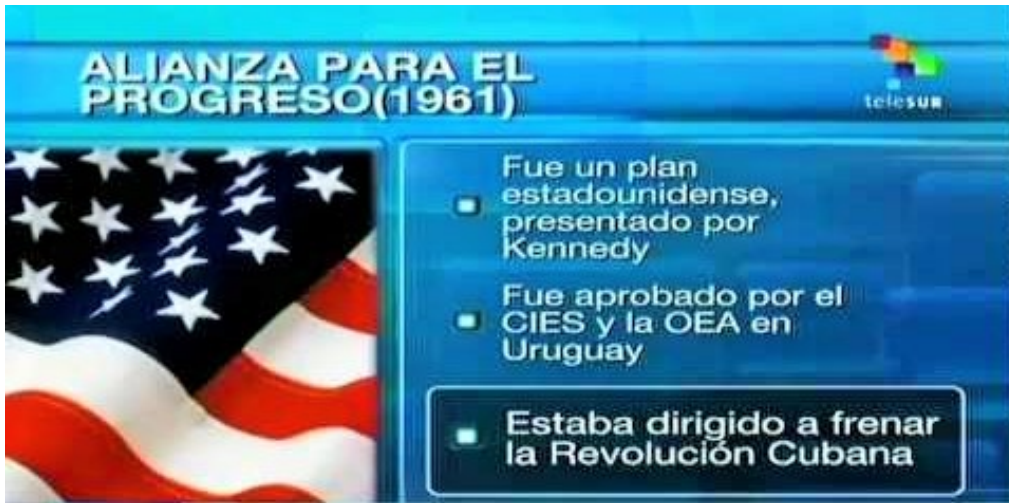
The historical importance of that Mission in Latin America can be seen by what happened in Ecuador. The Central Bank was created in August 1927, under impressive bank resistance. It is that it cut the big business of the private banks that issued, each, their own banknotes. And with the Comptroller's Office, as well as with the Superintendency of Banks, plus the law of internal taxes and the social policy [of the government of Isidro Ayora](#) (1926-1931), which executed the program of the [Julian Revolution \(1925\)](#), the State

was imposed on private interests and the social vision over the business, which concluded what in the country is called the "plutocratic era" (1912-1925), in which the agro-export and financial oligarchy dominated. It was the moment when the long process of overcoming the oligarchic regime was defined, which was projected until the 1960s.



The second historical moment has to do with the [Alliance for Progress \(Alpro\)](#). This was a strategic megaproject of the U.S. during the government of John F. Kennedy (1961-1963) aimed at promoting the "development" of Latin America. In Kennedy's speeches and in the official documents of the Alpro, it is clear that, with the coating of traditional "Americanism", a vast program of actions was called to stop communism, prevent the extension of the USSR on the continent, which for the Americans had already begun with the "fall" of Cuba and carry out a "revolution", but in peace, democracy and freedom. There was talk of "changing structures", in which the State had to play a significant role through infrastructure and planning works, the channelling of resources to the private sector and the implementation of agrarian reforms. Paradoxically, as happened in Ecuador, this program was attacked as "communist" by the oligarchies and traditional businessmen, who never understood the scope of the program, while the CIA managed to implement a Military Junta (1963-1966), pro-American and anti-communist, which executed what was planned by Alpro. Despite the imperialist side of the program, its "developmentalist" side served to make the country definitively overcome the old finance system, enter an accelerated path of capitalist modernization, take off industry and even provoke the

growth of its bourgeoisie, processes that did not occur in the past. The same thing happened in other countries.



President John F. Kennedy speaking at the reception honoring the Alliance for Progress Committee of Nine at the White House Gala Dining Room. Credit "Robert Knudsen, White House/John F. Kennedy Presidential Library and Museum, Boston".

The third process occurs in the final decades of the twentieth century, hand in hand with the IMF and neoliberal ideology, driven from the government of Ronald Reagan (1981-1989), who, as the Nobel Prize in economics Joseph Stiglitz argues in his book *Progressive Capitalism* (2020), cut the American road to a social economy that had been inaugurated with Franklin D. Roosevelt (1933-1945). Neoliberalism transformed Latin America, but in the opposite direction to what the developmentalism of Alpro had projected. It served to establish business and, increasingly oligarchic, governments that only built open economies, under the idea of free markets, privileged private sectors, privatizations, reduction or cancellation of taxes, extractivism of resources and labor flexibilizations. The economic results were variable, but wealth was concentrated as never before, public services and goods deteriorated or passed to private control (which did juicy business with them) and the precariousness of living and working conditions throughout Latin America increased, which can be verified by following the multiple studies of [ECLAC](#).

Multiple conclusions can be drawn from these three summarized historical experiences. But there is one that should be highlighted: when the US has really proposed to collaborate to promote the development of Latin America, significant advances have been made in the economy and society, despite the impact on democracy that also ran in parallel during the 60s and 70s of the last century, by the ideology created with the fight against "communism". Who knows if the course would have been better and not very traumatic if democracy was respected and constitutional governments were supported. Instead, neoliberalism, fostered as a new panacea for the future, has been a complete failure in Latin America. And it continues to aggravate the social panorama and exacerbate the conflict in all the countries where it has been maintained or restored, after the first cycle of progressive governments that, instead, boosted social economies.



If a paradigm shift were achieved on the continent, the US could better contribute to overcoming the inherited "underdevelopment" and improving life throughout the continent. It is necessary to take the historical experience seriously, to definitively abandon neoliberalism for Latin America and to join common *efforts to rebuild social economies*. Even U.S. and continental national security would have much stronger spaces for friendly coordination, without the dramatic consequences of interventionism. Undoubtedly, it will be necessary to understand that social economies will affect oligarchic interests of the economic and business elites, who today are willing to prevent any change of course and increasingly sharpen even the questioning of representative democracy itself. There is a growing risk that class and political sectors will take hold that only plan to clean everything up with the establishment of fascist regimes, which will wipe out "populisms", "progressivisms" and "leftisms".

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