

The Third Way and the Latin American Left

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This is a chapter for an edited book that was never published

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The third way in the USA and Britain appears to be over. Clinton and Blair are out of office. In the last days of its 13 year government the British Labour Party moved from a third way approach to a more pragmatic and ad-hoc one. But it left a legacy in European social democracy. In Latin America there have been a number of attempts to mix liberal economics with social justice, third way style. The politics of leaders like Lula and Bachelet fell into this category. At the same time Latin America has what the US and UK do not, a politics further to the left, espoused by Chavez and Morales amongst others. This article will look at politics in Brazil and Latin America as third way politics and compared to the third way. Is there a third way in Latin America and what lefts are there in play there and in Europe? What role does context play in explaining left politics in both places? And are there bases for commonality between European social democracy and Latin American lefts?

Why try to compare the third way and the Latin American left? These are seemingly two quite different phenomena, in different places, with different dynamics and outcomes. Is it just an academic exercise, to take two such things and compare and contrast them out of interest? The answer is no. One reason for such a comparison is to see if there is a basis for a global left. Are there similarities or like-mindednesses that can be a basis for more unity or coordination on the political left across national boundaries?

One development that has characterised recent times is that capital has become more globally mobile, especially as a result of liberalisation from the 1970s onwards. However it is commonly said that the state and labour, to which social democracy and the left have strong connections, have been less global. In fact the state and labour have been diminished in power relations because of the globalisation of capital, which can leave any country and so exercise power over the policies of governments who wish to attract it (eg see Crouch 2004, Mosley 2005). States who support neoliberalism, which is more in accordance with what global capital wants, have become more powerful, while those who wish to resist it are in a weaker position. So building international unity on the left is important. It is important to find sources for solidarity on the left so it can become more internationally unified and organised, as well as strong in nation-states, to counter the power of global capital. If more states hold to common social democratic objectives there are less places capital can flee to and so less leeway for capital blackmailing governments by threatening to leave if they pursue social democratic policies. Seeing if there are bases for commonality across the left is worthwhile for this reason.

Most social democratic parties in Europe have been involved in some sort of third way, so what I say about the third way will often apply across Europe, or certainly Northern and Western Europe. But Britain is my main focus as far as the third way goes, because I know it best, and because Labour after about 1994 is what the third way is most associated with in Europe. Tony Blair was the leader of third way politics in Europe, once it had been imported in part from Clinton's New Democrats, and no doubt in parts by Clinton from other places, such as Sweden. This article is a

view from the North, drawing on the literature and looking at links between the UK, Brazil, the third way, and the Latin American left.

Barrett *et al* (2008: xv) say that there are two gaps in the literature on the Latin American left. There is a lack of a comparative or regional perspective. This article aims to look at the region and also at more global comparisons. Looking regionally allows us to see the diversity of Latin American lefts, with their own national specificities, a theme the literature does cover quite a bit. Looking comparatively on a wider canvas allows us to see if there are bases for a global left, at least across the Atlantic from Latin America to Europe. Secondly Barrett *et al* say that work has tended to focus more on parties or social movements but not both. This article aims to bring both together. One issue that comes to light is that social movements play a historically different and more recently significant role in the Latin American left than they do in the European third way, despite the latter's labour movement origins, in the UK at least.

Positions being discussed in this article include those on the centre-left or the more radical left, and the third way, which is normally seen as being between left and right or a mix of them (White 2001). Of course left and right are not the only ways of dividing up politics. Politics can be separated according to identity or on liberal-communitarian grounds, for instance. Occupants of Left and Right positions may not stick to them steadily, or can take them up for pragmatic rather than ideological reasons. But in Latin America and Western Europe these are significant dividing lines, alongside others and affected by national differences in what and where left and right are. In some Latin American countries moderately left and further left are the dominant tendencies. And where the boundary falls between left and right can vary by nation. So in France, where equality and the public sector are valued across the left-right divide, the right can sometimes seem more left-wing than the left in the UK. In Britain neoliberalism and the market are more generally favoured and the left can be quite economically liberal compared to the right in France.

Left and right can be defined in different ways. Key divisions are between those who tend more to an economically egalitarian approach as opposed to one which is individualistic and allows greater inequality in the name of individual freedom, whether economic or political (see Bobbio 1996 for an influential perspective focusing on equality). A related division is between those who wish to see society more under collective control, whether exercised through the state or other forms of democracy, or left more to the market than the state, and to individuals and private actors more unfettered by collective regulation. As I have mentioned, and we shall see below, in Latin America *sometimes* the divisions are over how far you go in the leftwards direction, rather than whether to take that route, and how much compromise is needed with right-wing preferences in order to tackle things like poverty. And being left here includes the egalitarian and redistributive aspect, and also a more collectivist idea of democracy, of a populist-participatory type, and a concern with national autonomy. The leftwardsness of parties and governments in left-wing Latin America, and third way Europe, is also quite complex and varying across countries and policy areas.

The Third Way

By the third way I mean a politics said to have emerged with Clinton in the US and soon after under Blair in the UK. This politics tried to balance neoliberalism with more social democratic or social justice objectives. A third way requires there to have been first and second ways. One previous way was more old style social democracy, seen to have been oriented around nationalisation of industry, taxation and public spending, more egalitarian distribution and an antipathy to the market. The second way was neoliberalism favoured by politicians like Margaret Thatcher and Ronald Reagan which was said to be more favourable to privatisation of industry,

lower taxes, a smaller state, and the freeing up of the market, so facilitating individual freedom at more economic levels, and an endorsement of unequal outcomes resulting from this.

It was argued that polarising these two ways has been too dogmatic. It is possible to combine them. Third way politics should be pragmatic about what means are used to achieve social democratic ends. The left should be open to private and market-based means if they achieve social democratic ends. And ends or goals became redefined in some cases, equality, for instance, being defined as equality of opportunity as much as equality of outcome. In fact, changing the means to more market-based ones sometimes undermined the pursuit of old more egalitarian ends.

Of course neither of these two ways were quite as third wayers presented them. It pays to exaggerate previous ways to make the case for a new one. The old left was in practice pragmatically reconciled to the market, even if sometimes it was antagonistic to it in its rhetoric. Social democracy in other parts of Western Europe adapted to the market in its policies in the 1980s before the British Labour Party did, although when Blair came along and caught up he overtook and did it in a more celebratory and deregulatory way. The new right, meanwhile, spent a lot of money on government activity and found itself increasing regulation, for instance on industries it had let go of through privatisation. So it wasn't always as neoliberal as it claimed. But there was some truth to the old left/ new right division, at least ideologically, and the third way tried to break away from the most zealous interpretations of the two ways, picking off the more appealing bits in a third or middle way.

Middle ways are not new. There have been calls for middle ways between communism and capitalism, for instance, and social democracy itself is a middle way between these two. If the third way is between the older two ways of right and left, and embedded in national cultures and institutions, it varied according to where the other two ways were situated in particular places and where national particularities steered it. The third way in Germany was friendlier to collectivism than the third way in the UK. Jacques Chirac, President of France, remarked that Blair's centre-left third way in the UK was more right wing than his right in France.

There is the question of whether the third way was 'new' - a new set of ideas that went 'beyond left and right' or a mid-point between old left and new right. In fact it did not reject or transcend left and right but attempted a mix of them, to try to combine neoliberalism and social justice and say that ideological polarities between them were false ones which stifled progressive thinking. A more pragmatic and less dogmatic approach would be willing to see that neoliberalism and social democracy could be combined - 'economic efficiency and social justice' was one way the UK's New Labour under Tony Blair put it. They needn't be antagonistic to each other.

The form this took in the UK was a deregulated approach to economic policy which Tony Blair preached to other European leaders, much to their annoyance, combined with social democratic measures such as a minimum wage, tax credits for the working poor or poor families, and spending on health and education. These brought some from the socially excluded into society and the public infrastructure was protected. The achievements of New Labour have to be measured not just according to what they did but what might have happened if the right had continued to govern, and in the light of the neoliberal convictions of the right in Britain. It is almost certain that poverty and inequality would have grown even more and health and education crumbled further under a government whose ideological commitment was to a smaller state and more individual responsibility and private initiative. The Conservatives after 2010 quickly launched into cuts to the public sector much greater than needed or pursued elsewhere, in a way that falls more heavily on the poor than the rich (IFS 2010, TUC 2010).

The neoliberal elements of the third way were to pursue a more deregulated labour market, to encourage employers to hire, and unemployment did stay lower in the UK than in more regulated labour markets in comparable countries like France and Germany. Nevertheless the employed were more secure in France and Germany and employment relied less on temporary, part-time and insecure work. Gordon Brown as Chancellor of the Exchequer preached relaxed regulations on post-industrial Britain's powerhouse, finance, and the benefits this would bring. He did not mention the dangers of allowing finance and bankers a free rein, and this came back to haunt him when lack of regulation led to the global financial crisis. Blair may have been right that there was too much dogmatism about being in favour of *either* economic efficiency *or* social justice. But pursuing a neoliberal approach to economics did often undermine the social democracy of social justice. The former increased inequality, and the latter tried to remedy this, such that New Labour's social policy was often an attempt to correct the inequalities its own economic approach was creating.

This article is about the left, especially the Latin American left. So how did the third way do on left criteria? Looking at the UK the record is open to debate and mixed. Depending on what you look at, and how you measure it, traditional left concerns such as poverty and equality may have got better or worse. Many of the socially excluded underclass were incorporated more into society in greater numbers by incentives such as the minimum wage, tax credits for the low paid, and welfare to work schemes. But attacking poverty was very much based on employment as the answer and those who stayed outside the workforce suffered from cuts in benefits such as lone parent and disability benefits, introduced to encourage people off welfare support and into work. Those unable to make this jump got poorer. New Labour was arguably good for the working poor but less good for the non-working poor.

What happened to equality under new Labour depends how you measure it. What proportion of those at the bottom do you compare with what proportion at the top? What periods do you compare? The very rich got richer and the very poor got poorer. But what happens if you look just at how the poor did rather than how they compare with the very richest? And some of the least poor became better off. The government's social policies looked at alone had a redistributive effect on the whole, but their liberal economic policies increased inequality. It is probable that inequality would have risen further if the right had been in power. But for a party of the centre-left New Labour's overall effect on inequality was not one for celebration. There was not a break to a new post-neo-liberal consensus. Neoliberal economics became established on the political scene. On most overall recognised measures, Britain was left a more unequal society after 13 years of Labour.

Neoliberalism and the Latin American Left

On economic and social issues there are some ways we can see parallels with the Latin American left: the coming of the third way after a period of radical neoliberal economics; and the attempt to combine friendliness to business and investors with social justice, a comparison with some Latin America countries to some extent.

Neoliberalism was a harsher and more negative experience in South America, and the Latin American left part of a stronger reaction against it than found in countries where you get European social democracy. At least this is how it seems on the surface. There is more of an anti-neoliberal political culture in Latin America than Britain and Europe. But it is more complicated than this. As we shall see, popular attitudes of those supporting the left are not always as left as those of the politicians of the left. And policies of the left governments are not always in direct opposition to neoliberalism.

One effect of neoliberalism is the negative critique of it, but also a practical acceptance of more orthodox or liberal economics in varying ways - the need to attract foreign investment, strong trading relations with the US, the state becoming identified with the imposition of neoliberalism, more open trade whether through bilateral or regionalist routes, and a desire to keep fiscal deficits down.

For several Latin American left parties or governments the emphasis on shifting away from neoliberalism has only partly been away from the economics, and sometimes more in pursuing left and social objectives through social policy. So there has sometimes been fiscal conservatism, some continuity with previous governments not of the left, an attempt to prove the left can govern competently as far as the economy is concerned, but do so with a social heart. This is classic third way politics, economic efficiency combined with social justice. The difference is to some extent that the economic efficiency is accompanied by an antipathy to neoliberalism, after the experiences of the 1980s, to a fiercer degree than in the European third way (although certainly present in Europe, especially outside the UK and some Eastern European countries). And social programmes have often taken a different form to the sort of welfare to work politics of the UK and US third ways, as a result of facing different and much more adverse problems of poverty.

In economic policy there has been variation on whether monetary policy is tight (eg Lula, Bachelet) or loose (Kirchner, Chavez), the fiscal position is more one of deficit (eg Lula, Chavez) or surplus (eg Kirchner, Morales), social spending is high (Lula, Chavez) or low (Morales, Bachelet) and these do not always break down along the lines of how left a government is (Tussie and Heidrich 2008). National characteristics, the specific nature of problems at home, timing and such factors are often a guide to policy as well as positioning on the left-right continuum. In Europe, especially in Scandinavia, there are big welfare states. In Latin American countries the approach has been, by necessity, through more patchwork policies, social transfers, and social provision (Tussie and Heidrich 2008: 54).

One of the interesting things about the Latin American left's attitude to neoliberalism is that it has been characterised by a turn against neoliberalism in ideology and political attitudes, yet a reconciliation to operating in compromise with it, to varying degrees across different countries. An ideological rejection after years of dislocation caused by it in practice co-exists with a practical attitude of acquiescence to it in uneven ways and degrees.

This is not so much the case in Europe and the third way. Neoliberalism has ideologically been accepted, for good or ill, as a desirable policy objective that will foster competition and productivity. Tony Blair stated this clearly. Sometimes the need to go along with neoliberalism is seen as something forced on social democratic governments by globalisation. But not usually. On the whole it has been positively celebrated, increasingly as time goes on, as a positive policy choice that is good for growth. Some, such as the French or Germans, praise the state or the social market, and criticize the neoliberal Anglo-Saxon way, but at the same time lead the European Union in taking a more liberalised, competitive and open route, at least internally. They may remain less flexible than the UK, but they are not always as anti-neo-liberal as they sound.

So the Latin American left combines ideological critique with pragmatic acquiescence, to some extent, in some cases, to neoliberalism. European social democracy is less ideologically critical, in varying degrees. Even where in places like France the Anglo-Saxon model is criticised, there is commitment to free trade and the free movement of capital in practice. One common feature across the Latin American left and European social democracy is to try to counteract neoliberalism with social policy to protect the poor, but the nature of poverty and the means used vary.

Democracy and the Latin American left

The new left in Latin America has not just been a response to neoliberalism. It has been a response to a range of other factors, including a break with armed revolution and a move to democracy. There has been a rise of a new left in place of neoliberalism, and one adapted to take on a parliamentary approach.

In the cases of the European third way and the Latin American left, the old lefts that came before them were different. In Europe the old left that went was old style social democracy, committed to public ownership, redistribution and universal state welfare. In some places amongst the new Latin American left what has been pursued resembles this old European left, a traditional type of social democracy.

In Latin America the old left is the left of the armed revolution, something that never took off across Europe. This armed old left was found in Cuba in 1959, El Salvador, Guatemala, and Nicaragua. However the old Latin American left was more diverse than this. There were also more peaceful pro-Soviet communist parties, the nationalist/populist left, less pro-Soviet reformist parties and a more civil society-based left (Rodríguez-Garavito *et al* 2008: 6).

Many of these strands declined or changed, due to the collapse of Soviet-style communism, the siege on the Cuban revolution by the USA, the electoral defeat of the Sandinistas, the retreat or isolation of armed struggles, and the advance of neoliberalism. This led to more third way style social democracy, less revolutionary and more reformist, accommodating to neoliberalism.

This cannot be separated from a more general crisis for the left globally in this period. Some of the factors mentioned were also important in the readjustment of the centre-left in Europe to a third way combination of economic neoliberalism and attempts at social justice. Although a fair bit of the West European centre-left did not have the ties with Marxism and actually existing communism that the Latin America left did (although over a much longer historical sweep it had origins in Marxism), it was still affected by the huge hit in legitimacy for socialism that the collapse of the Eastern bloc led to. Furthermore, while Pinochet in Chile and the World Bank were sources of the rise of neo-liberalism in Latin America, so were Thatcher in the UK and Reagan in the US, and neoliberalism in the northern hemisphere was a powerful force that the left in Europe also had to adjust to. So there were some similar sources behind readjustment in Latin America and Europe.

The rejection of armed revolution of the Cuban and Nicaraguan types, to take just two examples, and the acceptance of democracy, as an alternative to both leftist revolution and rightist or military dictatorship, has happened on the Latin American left and has created greater possibilities for commonality with the left in Europe. In Europe there has long been a stronger acceptance of liberal democracy and less sympathy with the insurrectionary route. Adherence to the latter in Latin America has made cross-Atlantic solidarity difficult for the European parliamentary left. Revolutionary style communism in Europe was mostly imposed from outside by the carve up of the continent after the 2nd World War so there is less of a tradition of socialist revolution in practice, even if many people still had hopes for it, in dwindling numbers after 1956, 1968 and 1989. And with the collapse of the Soviet bloc a commitment to liberal democracy became solidified across Europe, albeit in many places in second place to enthusiasm for capitalism.

A common commitment to democracy, and departure from armed revolution makes links and commonality between lefts in Latin American and Europe more possible. For the mainstream democratic left in Europe the commitment to an armed route in Latin America was always beyond the pale and its abandonment brings the two lefts in principle on to more common ground. However some small but significant qualifications need to be put to this. The one-time armed

revolutionaries of Cuba, where human rights and democracy in the liberal sense are circumscribed, and where the revolution is still defended in a one party-state, are addressed with warmth by a radical like Chavez and even sometimes by more moderate politicians like Lula. The armed route and less politically liberal model pursued by Cuba at present is not an obstacle to this. The Zapatistas in their armed phase and FARC in Colombia have sometimes been treated ambiguously rather than rejected outright by some in the establishment of the Latin American left.

Furthermore the commitment of Chavez to democracy and rights has been questioned. Criticisms along this line are sometimes problematic. Chavez has repeatedly won plebiscites, ratified as free and fair by independent observers, and in economic and social terms he has done more to try to bring the excluded into participation in society than many more liberal and political measures of a European-style do (eg, see Gibbs 2006). Votes for Chavez are large, making him one of the most popularly supported elected leaders in the world. Many of the critics of lack of democracy and rights are hypocrites, the US and UK governments amongst them. At the same time there is an atmosphere in Venezuela where opposing voices feel intimidated, and democracy, rights and free speech do not feel as firmly secure in an uninhibited way as might be desired. Some kind of more socialist capitalism seems to have priority over liberal forms of democracy and rights in Chavez's list of priorities.

But for many the rights of Cuba and Venezuela to arrange their own affairs without outside interference and the importance of economic and social bases for freedom, which political rights arguments can be used to undermine, are as, or more, important than democracy and rights arguments of a political or liberal kind.

Such ambiguities over democracy and rights leave some dimensions of difference between European social democracy and the Latin American left. But the distance has been made smaller, almost entirely by the shift on the part of the Latin American left away from dictatorship and armed revolution to democracy and rights. It may be that the onus lies now with European social democracy to make its own move to increased commonality with the Latin American left if the left globally is to create some common ground as a basis for greater cross-national collaboration. Recognising economic and social bases for freedom and tensions between these and European political liberalism is one thing the European left can do to facilitate greater links.

The European third way's attitude to democracy is relatively singular and stable. Third way parties are committed to liberal representative democracy, not that linked to social movements in civil society and comparatively suspicious of any other attitude to democracy or type of democracy as being potentially totalitarian and dangerous. There is relative unity on this view of democracy and it has been a stable view in North and Western Europe for 50 years or more. This makes European third way parties suspicious of some Latin American left parties who have a more complex attitude to democracy and include social movements and economic and global dimensions in their notions of democracy. European third way parties have some reservations about this conception, partly because they see an economic and civil society-linked version of democracy as a threat to political and liberal democracy, and partly because they are part of the economic and political global North that the Latin American Left wish to have greater independence from in the name of democratic autonomy. A call for autonomy from global imperialism can seem to the Europeans, third way or otherwise, as a call against them, as the powerful in this system, and against so-called free trade.

The Latin American left's attitude to democracy may be more complex, varying in type and affected by factors that have less of an impact on the European Third Way. For the Latin American left there was a break with dictatorship that reinforces a belief in democracy. Similarly the left there in parts had links with Marxist socialism, and the collapse of Eastern bloc

communism around 1989 discredited this statist and undemocratic form and reinforced the need to have a democratic socialism in Latin America.

Yet there is also suspicion of the power of foreign investors and the USA that makes the Latin American left see democracy as being about more than representative institutions. The left in Latin America has not just been part of democracy replacing dictatorship, but also of providing a more democratic alternative to the 1980s when political dictatorship was followed or allied with economic and overseas influence, the power of foreign investors, making money out of these countries and imposing policy preferences on them. Its character is also formed in reaction to phenomena like the US economic embargo on Cuba, American involvement in anti-communist movements in Latin America and the propping up of undemocratic governments in the interests of the USA, something that did not match easily with US calls for democracy and freedom.

The Latin American left idea of democracy, therefore, has also had economic and global dimensions, in defence of the idea that Latin American countries have independence from multinational investors and the powerful north.

The left in Latin America left in places has grown out of, and has links to, radical social movements and so sees an active civil society as part of democracy, whereas the European Third Way is more 'political' in its conceptions of democracy. There is an underlying tension in the European Third Way between believing in a healthy active society but seeing this as subversive and dangerous whenever it becomes too vibrant or radical. For the Latin American left it can be representative democracy that is the threat to democracy. Movements can get co-opted and popular demands be siphoned off by elites in representative institutions, dumbing the power of collective demands coming from society. In this context civil society movements are the most democratic, and representative politics a threat to these. Participatory democracy is threatened by parliamentary democracy.

As mentioned, Chavez's approach in Venezuela has raised a number of high profile questions about democracy, and this has included criticisms that he is a threat to civil society as much as empowering it. Chavez has won numerous elections and referenda, fairly and freely. For his supporters this belies the image of a dictator and tyrant. He has also pushed the state into greater control in the economy and media. From one angle this restores greater democratic control over sectors of society dominated by unaccountable private interests. From another this is a threat to an independent civil society and creeping totalitarianism, anathema to democracy.

Third way social democracy in Europe has often been quite critical of leaders like Chavez on his democratic and liberal credentials. At the same time it's not clear that European third wayers have been going in the right direction on liberal and democratic issues. New Labour in the UK introduced devolution of power, a Human Rights Act and Freedom of Information but also maintained and enhanced centralized power in other ways, and became itself the target of rights and openness criticisms, on issues such as detention, adherence to international law and war.

The third way in the UK has shown an increasing lack of liberalism towards immigration. In its 2010 leadership campaign all Labour Party candidates except one used anti-immigration arguments to explain the loss of working class voters. Problems of housing and low wages were linked to immigration by Labour politicians. Labour has historically been a *labour* party, linked to the labour movement more than other European social democratic parties who have come more out of Marxism. But instead of linking housing and wages problems to social democratic and labour issues such as the decline of state housing and trade union wage protection, it has incorporated them into illiberal attacks on immigration. These encourage racism and intolerance that New Labour tried to counteract by making race equality more of a high profile issue when in

power. The Labour government itself has been one of those to show the clear and well-evidenced benefits of the immigration it proposes to restrict (Home Office 2007). Its labour heritage has been sidelined alongside a continuation of the fact that it has never been explicitly a liberal party and is carrying on in this vein. At the same time Latin Americans have found themselves victims of anti-immigration sentiment. Both on the US border and at the boundaries of the European Union Latin emigrants are subjected to increasingly tightened restrictions on their free movement. Question marks over liberalism apply in Europe as much as in Latin America, the latter of which is sometimes lectured on this issue by Europeans and North Americans.

Social Movements, Civil Society, Trade Unions

The impact of neoliberalism was particularly acute and harsh in Latin America via structural adjustment and promoted a counter-reaction. Some of this was oriented to the free trade agreement NAFTA, in Mexico. Deeper and historical anti-US imperialism became allied to antipathy to the US as a source of pressure towards neoliberalism. And the alter-globalisation movements that were part of the new left in Latin America and more globally, directed much of their fire at the effect of neoliberalism, especially on developing countries.

It may be partly the critique of neoliberalism in alter-globalisation movements which brings civil society and social movements more to the fore in the Latin American left than in the European third way. But it is probably also that civil society is important after the dictatorships of Latin America in the recent past. Areas of civil society (from the Catholic Church to human rights organisations) were part of the resistance. Encouraging and appreciating a lively and thriving civil society and responding to it is part of a politics of a generation who have lived under dictatorships, or whose parents have, and appreciate the importance of activity in this sphere. The West European left have not had this experience to the same extent so recently, (although in Southern Europe there were dictatorships not too long ago) and so maybe social movement forces are not so important to them. The defeat of Hitler's expanding dictatorship was more due to state armies than resistance in society. The defeat of communist states was more due to external economic and political pressures than internal dissident movements, although the latter played a role. In other words, in Europe the defeat of dictatorships did not feature such a decisive role for social movements.

The Latin American left and European third way have had different relations to social movements. The Latin American left has been more recently and deeply rooted in them than the European third way. European authors like Giddens (1994) and Beck (2000), associated with third way politics, have advocated a connection with 'life politics', but the third way has been very conventionally political and unresponsive to social movements. And social movements in Europe have been less those of the poor, as in Latin America, or movements about economic, social or political rights, and more post-material or identity-based social movements, albeit in emphasis rather than to the total exclusion of socio-economic issues.

Something that is different about the Latin American left is its links with movements for indigenous peoples' rights. This has risen up the hierarchy of importance with the new left and is different from the European third way where rights on the basis of ethnicity are often to do with those who are immigrants or the descendents of recent generations of immigrants, rather than indigenous groups.

One area where there may be some commonality between the Latin American left and the third way is in trade union roots. The Labour Party in the UK has long-running historical roots in the trade unions and labour movement. It rose out of the labour movement, hence the party's name, and was founded by the trade unions. For a long time the unions have funded and had a major

voting role in the party although these ties have been weakened and loosened considerably. The Brazilian PT, the Workers' Party of Lula and Rousseff, also has roots in the labour and trade union movement.

But here the similarities just about end. Both parties are not representative on this issue of the wider left and social democratic parties in their region. In Europe many social democratic parties arose out of Marxist ideology originally rather than trade unions. In Latin America not all the left parties have the PT's labour roots. Furthermore the UK Labour Party's historical labour roots go back a lot further and have got weaker over time. The PT's labour links are much more recent.

The role of social movements in Latin America adds diversity in itself and is also connected to the diversity in Latin American left parties and governments some of which come out of such social movements and develop their concerns. Crises for traditional parties generally, and the rise of leftist social movements, both internally to Latin American countries (from workers to indigenous peoples' movements) and more globally (with links to Latin America, such as Porto Alegre in Brazil) gave energy to the response to these crises. This diversity and the decline of more centralised parties gave the new left a more plural as well as democratic character.

Lefts in the European Third Way and the New Latin American left

It is important to recognise diverse identities and not iron them out, and the broadening of the left agenda to include, for instance, indigenous rights, anti-imperialism and anti-neo-liberalism coming, in part, from social movements. Similarly conditions faced in Latin America and Europe and within them vary quite a bit – social problems and the need for social programmes, for instance, may be greater in many Latin American countries. My aim is to look at bases for commonality between the European third way and the Latin American left, but doing this requires engaging with reality, and this involves recognising complexity.

It is common now to see there being two Latin American lefts. The more moderate social democratic left of people like Lula and Bachelet is one. This is said to have been more pragmatic, accommodating to neoliberalism, maybe more democratic in the liberal sense. Then there are the greater radicals, more populist and nationalist, like Chavez and Morales, a bit less committed to liberal forms of democracy (although they would say more popular and economic approaches they advocate are important for a more effective and real democracy). To some extent the Kirchners have fitted in with this more radical strand.

In some cases you get both lefts in the same country and one can be inside government and one outside. One left may be seen more like old social democracy in Europe, a mix of nationalisation, redistribution and welfare, while still with some key local characteristics. The other is more like the newer third way, but not completely so and with its own Latin American specificities, for instance in the nature of anti-poverty programmes and links with social movements. In some places the main debates are between the left and the left. Social democracy is often more left-wing than you may find in Europe. And there is an apparently socialist left to the left of social democracy.

Another distinction, although not a clean-cut one, is that the more moderate left is trying to govern within existing economic and political structures, so accepting them to bend to international economic pressure, whilst doing its best to pursue social programmes for the poor. The more radical left is trying to make a shift in power, so that a further leftwards paradigm is established on an ongoing basis, more business under state control, and international alliances established to give greater power at a global level, for instance.

Where there are policies for social programmes to counteract poverty, that exist alongside attempts to attract foreign investment, there can sometimes be a mix of neoliberalism and more social democracy, of the sort typical of the third way, combining the first two ways. But where there are attempts to change structures, for instance more state control of industry, then we are talking of something trying to make incursions into neoliberal territory and bring more under social control, more of an attempt to roll back neoliberalism than to ally it with more social policies.

In Europe there are more revolutionary parties. But in the left that has some sort of meaningful size and relationship to political power there is only occasionally a more radical left that wants to shift things structurally rather than just do its best within existing structures, eg *Die Linke* in Germany. In Europe this left is seen by most in mainstream politics as being beyond the pale. In fact the third way has in part been about the defeat of the left. In the Latin American left it is more of an established force, which is a part of the business of politics, rather than something outside this.

At the same time the demarcation of a more radical left bent on structural change should not be exaggerated. A project for socialism can often be more for socialism within capitalism, social democracy, than a break to an entirely different society. This can still involve structural changes in the balance of power – maybe more state industry and economic agreements outside neoliberal structures – and this is important. But there are structural shifts embedding and extending social democracy, and ones moving to socialism, and even the most radical left in Latin America may be doing the first. Furthermore the third way in Latin America, like its European counterpart, involves a move away from the left.

What of a third way in Latin America? Is there anything like the European third way in this region? If there is, what other ways is the third way in between or beyond in Latin America? On one side is neoliberalism. But what is on the other side is less clear. The other side to be surpassed can be can be right-wing dictatorship, moderate social democracy, a more radical left, populism, social movements, or some combination of these. A Latin American third way may be trying to go beyond or combine any of these elements. There are differences from the European third way in which a Keynesian welfarist social democracy is more clearly the second way. At the same time third ways in both cases face the same contradictions of trying to maintain a social policy for the poor with involvement in economic liberalism that accentuates inequality.

The most obvious example of a possible third way in Latin America has been Lula (eg see Sanchez *et al* 2008). In Europe Lula's project is sometimes talked about in third way terms. He was accommodating to neoliberalism in some respects, and to policies that attract foreign investment. His third way shifted away from the leftism of his and his party's past. This was combined with programmes to benefit the poor that are conditional – the famous *Bolsa Familia*, talked of positively by observers of the Brazilian scene. So there was a third way-type combination here. As with the UK, the statistics on inequality in Brazil are quite mixed. Brazil, like the UK, is a very unequal place that has stayed very unequal. In both places, the underlying causes of inequality have not been addressed and neoliberal economic policies, to some degree, go against any egalitarianism. Both Blair and Lula targeted their policies on poverty to some extent at families. But the conditions, and type and extent of poverty being tackled have varied. The approach to tackling poverty was different in each case. The UK's has been through tax credits and a minimum wage, and cuts in benefits to get people into work - very employment-centered. The *Bolsa Familia* involves cash transfers in return for human capital measures being taken by families around education and health. And Lula's party comes from more immediate roots in local government and social movements than New Labour.

Making comparisons with Europe, unsurprisingly, does not fully work, because there are other questions, like the corruption that has wracked governments such as Lula's, the role of indigenous politics in Morales' government, stronger links to current social movements in both cases than you get in Europe, and populist anti-imperialist nationalism. None of these quite map on to the North and West European context, although some find echoes in Southern Europe. So a view from the North that tries to fit Latin America into its own categories, rather than more flexibly look for possible links, will not work. But you would not expect complete replicas in Europe and Latin America and comparisons show enough similarities in some areas to be revealing to some extent.

Similarly the diversity of lefts in Latin America is too great for the two lefts labels to be adequate. Some lefts are left on economic policy and less active in social policy, whereas some are more mainstream on economic policy but express their left inclinations in social policy. Within economic policy or within social policy there are differences in the ways that the Latin American lefts approach each. There is quite a bit of national diversity that means parties or governments in one category of the left have some differences with other parties and governments in the same category. When you bring in broader social movements that adds at least one further left. This does not mean the two lefts categorisation is not helpful. This brings out a key marker between the more moderate and more radical, as long as you do not reduce it all to these.

It is not my aim here to make a final definition of the third way or the Latin American left. Both of these are evolving things whose meanings are changing over time. It may be that the third way has run its route insofar as far as the last phase of it has gone. Maybe it has left a legacy and framework that those who follow it have to fit within. Maybe it will be picked up and developed further. The Latin American left is probably still in flow and so what is being discussed here will develop and change and its meaning and definition will change. Nevertheless it is well established at this point so it is possible to make some assumptions about where it is now.

Social bases of the Latin American Left and the Third Way

In a number of ways Europe's third way is more of a moderate social democratic type, or even post-social democracy, compared to the Latin American left, even to Lula's supposedly more third way approach. But how deep is the left in the Latin American left? How far does the leftwardsness that exists there penetrate down into society? And how do the Latin American left's social foundations compare to those of the European third way's?

Morales (2008) looks at popular attitudes to see if the populations as a whole in Latin America have shifted to the left as much as the politics of the parties and politicians. He looks at world values surveys and Latinobarometro data about political attitudes in a number of Latin American countries in the 1990s and 2000s. Morales argues that there was a shift to the left post-2000 amongst the public in many places. But at the same time many of the left parties drew support not just from the left but the centre and often the right amongst the people at large. Many supporters of the left do not hold left values.

For Castañeda (2008) they support the left perhaps because it has better candidates, who are competent, and they perceive that its policies, such as Lula's *Bolsa Familia*, work, especially for them if they are poor. Castañeda says that the policies of the moderate left in a number of cases are not radically different from those of their immediate predecessors, in Brazil for instance.

One explanation for this may well be populism. Morales (2008: 38) says it was not so much that Latin America shifted to the left but that the left shifted to Latin America. What he says could be encapsulated by saying that parties appealed to populism as much as to left-wing sentiment.

How does this relate to the third way in the UK? In Britain the third way was less left-wing than in some Latin American parties and drew less on as severe an extent of poverty for its basis as the Latin America left did. There was populism but it was based as much on appealing to the middle classes and more affluent working classes as to the very poor who are more widespread in some Latin American countries, and not so much to traditions of national-populism much stronger in Latin America. Insofar as there is populism in the UK it is not based on anti-neoliberalism, anti-American, anti-imperialist sentiments. The UK is a junior partner in the bloc such sentiments are against. Populism in the UK tends to be around issues such as conservative law and order policies, anti-tax and anti-immigration. Wider electoral support was gained more by politically moving to the middle than to the left. This meant avoiding issues like tax and redistribution and stressing economic competence and social issues such as law and order. Populism of the leftwards-moving Latin American type has involved more delivering the goods to the poor.

So there have been different means of appealing to centrist and broader support in Latin American and by the European third way. And the types of support in terms of income and class, and the versions of populism and their political content have been quite different between the European third way and the Latin American left.

Of course some Latin American lefts did move to the centre, compared to their left past or left allies in other countries. This is the case for Lula obviously when compared to his Workers' Party's ideological roots. But it is as likely that he kept to the centre out of ideological commitment to a more centrist politics, or because he felt under pressure, rightly or wrongly, from external forces, international finance especially. For the UK third way there was also an ideological commitment to move to the centre compared to the Labour Party's past, but external pressures probably came as much from electability calculations as from fear of loss of external investment. As far as the latter goes the UK was in a much stronger position than Latin American countries. It is more at the centre of foreign investment networks, established and perceived to be safer, with greater infrastructure to offer to investors, although such advantages could change quickly as the world order reorganizes with the rise of nations such as Brazil and China. As far as electoral support goes, a base for left-wing politics was probably less solid and widespread in the UK than it was a potential in Latin America where poverty provided a deeper, broader and so better possible basis for populist left politics. At the risk of simplifying, centrism for Lula may have been to do with international investors. Centrism in the UK may have been to do with domestic voters.

Regional and Global Participation and Foreign Policy

The idea of the third way in the UK applied more to economic and social policies than foreign policy. There is less of a clear third way in between two other ways, neoliberal and social democratic or otherwise, in this area. Foreign policy has often been more pragmatic and driven by national interests than ideological, although left and right have sometimes (but not always) historically differed on issues such as the legitimacy of imperialism. New Labour in the UK proposed a more ethical foreign policy putting greater emphasis on human rights rather than just national considerations or pragmatism. International development was given greater priority. But otherwise there was little that lived up to stated ethical intentions. Critics seized first on the government's arms sales to repressive regimes. But it got worse. The UK's part in the invasion of Iraq had effects which did not evoke ideas of compassion or liberalism. It was an exercise based on deception and leading to mass deaths. Whether a left-right divide can be applied to foreign policy, and so a third way be relevant, there was little that was left or liberal about foreign policy under the third way, in the UK at least.

Foreign policy in Blair's Britain and Lula's Brazil have been different altogether, in part because both nations occupy different positions in the world order. Brazil is a large, fast growing and important country, but more aligned with developing countries, at a mid-point between the rich and powerful and US alignment on one hand, and nations of the South on the other. It has pursued specific relations, for instance with Iran, one that would be unthinkable to members of the US-UK or North American and European alliances in the Northern hemisphere. Brazil's history and its strategic position have meant it is more critical in WTO negotiations.

Pan-internationalism in Europe and the US is about structures such as the EU and NAFTA and more economically liberal and about promoting free trade, competition and deregulation, as against pan-Latin-Americanism which is more anti-imperialist, and anti-neoliberal, or at least about establishing economic and trading blocs which are in part aside from the global economic order.

In the EU, the third way has a clear arena for regional participation but less of a global one. At a regional level the EU is the world's most advanced transnational political body, with its own laws and elected representatives. But the social democratic aspect of this is compromised. There used to be much talk of a 'social Europe' but the social side is not very demanding, especially in more collectivist countries such as Scandinavian ones where social measures are already quite advanced because of national politics. In more neoliberal places like the UK such measures may have more impact but even there their significance can be exaggerated. Positive social integration has been overtaken by more negative neoliberal integration and the EU's main function is as a trading bloc encouraging competition internally and an internal labour market of sorts, whilst keeping out immigration from needy outsiders and helping the rich farmers of Europe to compete against the poor farmers of Africa.

In Latin America there is, for some countries, a more leftist regionalism in the sense that regional integration is in part to break out of global neoliberalism and have some self-sufficiency from it. NAFTA has only involved one Latin American country, Mexico, and has been a free trade bloc, but has also been a source of impetus for the anti-neoliberal left, through Zapatista opposition in Mexico and the wider stimulus this has given to anti-neoliberalism. Mercosur may be another regional trading bloc, but involves some integration separate, to some extent, from the wider global order. Chavez has tried to form pan-South-American regional alliances and broader south-south alliances with places with similar interests, or who are likeminded politically, so that alternative principles and powers to those of neoliberalism and American power can be pursued. Initiatives such as ALBA, The Bolivarian Alliance for the Americas, and the Bank of the South have been pursued and Latin American politics have been involved in attempts at alliances in global negotiations over trade.

In Latin America you get a much stronger antipathy to American interference than in Europe. In Europe the USA was an ally in the Second World War and during the cold war, whereas the experience in Latin American countries has been of the US meddling in its affairs, military intervention and in support of coups, or dictators and against the left who often represented forces for democracy against military authoritarianism. So not surprisingly there are different attitudes to the US on both side of the Atlantic.

It would be wrong to say that the Latin American position is anti-American and that's it. There are non-left governments who have been friends of the USA, in Colombia for instance. Amongst the left some are more openly and virulently anti-American than others. But even the most anti-American attract large amounts of foreign investment from the US and are major trading partners with them, Chavez's Venezuela for instance. At the same time, one aim amongst the Latin American left is to gain some autonomy from what is seen to be American-led neoliberalism and

greater control over their own economies and policies, by forming trading and political blocs, or through more informal relations with others who also wish to resist American imperialism.

Conclusions

Premature prognoses about the victory of neoliberalism and end of the left in the 1980s could be followed by an equally premature prognosis of the consolidation of the left in Latin America in the contemporary period. This is a left period but this itself could have a limited life and pass into new phases with different political formations.

But are there possible links between the centre-left in Europe, post-third-way, and the Latin American left, which could be part of, and consolidate, a global left? There are at present too many obstacles and differences for such links to become strong bonds. For many on the left in Latin America, the third way and its descendents in Europe are too enthusiastic about neoliberalism and in some cases too imperialistic, not least in the case of Britain and its overseas wars. For the centre-left in Europe, the Latin American left seem too radical and embedded in social movements which for the post-third-way left in Europe have an extra-parliamentary dimension they are uncomfortable with. Because of past crises of democracy in Latin America, doubts about Chavez's democratic and rights credentials, and the more parliamentary focus of politics in the Northern and Western hemisphere, some see the Latin American left as a bit beyond the sort of safer and more establishment liberal politics they prefer to pursue.

In the UK neoliberalism is more embedded and accepted. Even the financial crisis, based in deregulated risk-taking, did not break this commitment. The Europeans have often been the imperialists, or the friends of the imperialists, economically and militarily, in the past and now, so there is not the same anti-imperialist heritage. There are not the same kind of indigenous rights issues, trade unions were shaken by the shift from manufacturing to services, and social movements are less part of public life. Issues such as the environment and human rights are often pushed into politics, and less mobilized through direct action in civil society.

So there are historical and political differences between Europe and Latin America that may create greater divides between the two continental lefts than common ideas and ideological possibilities that could allow unity. My aim is so look for sources of commonality between politics left of centre in Europe and Latin America. Parties of interest on both sides of the Atlantic share an historical instinct to sympathise with a left of centre position. Both have roots in social movements, now or in the past - trades unions at least go across both strands. But it may be that the European centre-left is too much based around moderate social democracy or post-social democracy without a serious left pull to allow bonds of unity. The third way in the UK was as much about the defeat of the left and shift to the centre, between the late 1980s when a phase of Labour Party revisionism started and the late 1990s when Tony Blair came to power. It seems unlikely to make the links and find commonality with the Latin American left that a globally co-ordinated left would require. The third way's bases in European traditions, and in exploiting the economic interests of Europe, also seem to override unity that could come from a more leftwards inclination.

However this is no reason not to look for such unity and explore links. To do this is important because capital is globalised, while labour is not, and to a large extent neither is the state that labour and left social movements can use. The left needs to become more global. Addressing where there are commonalities and differences is part of this project, even if it shows for now that the differences are significant. Seeing this is a basis for addressing those differences and trying to overcome them in pursuit of greater left unity, both politically and taking in social movements too.

What common ground has grown has on the whole been because of the Latin American left's move to a more democratic and neoliberal path, even amongst the most radical who have in practice more than rhetoric taken on economic liberalism, and accepted liberal democracy to a much greater extent. This is rather than because of European social democracy's move to greater egalitarianism or populism.

There still remains a gap between the two sides and some tensions and limited strength to any bonds between them. The move so far has been by many on the Latin American left to positions that European social democracy could reach out to. The Latin American left could even further adopt third way positions that exclude the left, and erode a social democratic position distinct from neoliberalism. That would need to be avoided for the left-ness in international left alliances to be possible. To build and solidify bridges needs a greater move from European social democracy towards the Latin American left, by way of more acceptance of an egalitarian and interventionist agenda, nationally and globally.

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