
EDITOR'S FOREWORD

Latin America's relations with the rest of the world wield a considerable influence on Latin American studies and its relationships with other foreign-area fields. During the Cold War phase of world history that has now drawn to a close, Latin America served as one of the "Third World" arenas of competition between the Soviet Union and the United States. This lamentable but inescapable predicament reinforced the general perception of Latin America as part of the underdeveloped world, its fate determined by its location on the periphery.

The economic, ideological, and military preoccupations of the Cold War interacted with and reinforced the unfolding drama of social and political mobilization of the Latin American countries. The fifty years between the Great Depression of the early 1930s and the Latin American debt crisis of the early 1980s represented a half-century of rapid economic growth, initiated by the early successes of import-substitution industrialization and sustained toward the end by international borrowing. These decades were also a period of intensified social conflict, during which new economic classes formed, developed an awareness of their social identities, and became political actors. The mobilization of the popular classes in Latin America, associated in varying degrees with the rhetoric and inspiration of revolutionary Marxism, led to what has been aptly termed the *gran susto* ("great fear") on the part of the privileged classes. This reaction to local popular movements was further exacerbated by the anti-Communist paranoia and national-security doctrines disseminated as part of the Cold War campaign.

The resultant polarization of Latin American societies led to the bureaucratic-authoritarian regimes of the 1960s and 1970s and their repression of popular movements, subjects that have been amply discussed in the pages of this journal. Likewise, the failure of authoritarian solutions and the arduous course of redemocratization in Latin America have received much scholarly attention in the last several years. In one country

after another, the "great fear" has been replaced by what might be called the "historic compromise," a sometimes tacit, sometimes explicit agreement among popular and privileged sectors that politics need not be a zero-sum game. The lessons learned by the Right and Left from the previous half-century of conflict have been different, but their conclusions are compatible. If the Right learned that military dictatorships were destructive and beyond control, the Left learned that the human cost of revolutionary adventurism was beyond anything it had foreseen. If the Left discovered in exile that the Communist states were failing and that social democracy offers an alternative to revolution, the Right discovered that repression drives away both domestic and foreign investment and that conservative participation in a democratic political system encourages stability and investment.

In a nice twist of fate, Latin America's transition from fear to compromise presaged briefly the transformation of the United States from economic hegemon to debtor nation as well as the political collapse of the Soviet Union and its Eastern European satellite states. Because so much of Latin America's travail has resulted from the effects of the Cold War, it is tempting to attribute some causality to these coincidences. The justice, however, is only poetic.

Amid the disorder of the newly emerging post-Cold War system of nations, the concept of a "Third World" of underdeveloped countries occupying an indeterminate space between the capitalist and Communist worlds has lost significance. The disappearance of this tertiary category implies a more straightforward classification of nations along a "rich-poor" axis. Unlike many of the countries in the former Third World, the nations of Latin America (with the exception of some Caribbean states) do not rank near the bottom of such a stratification system.

Compared with most of sub-Saharan Africa, all of inner Asia, most of Southeast Asia and the Pacific, and even much of Eastern Europe, the future of Latin America looks relatively bright. Latin America boasts high literacy rates, functioning universities, a rich intellectual tradition, a free press of long standing, the infrastructure of a modern economy with institutions such as banks and capital markets, comparatively good public health institutions, and more. At the same time, poverty, inequality, and unemployment remain endemic in Latin America, undoubtedly worse now than before the debt crisis of 1982. Yet the growth curve for Latin America has resumed its upward direction, in spite of the stagnation of the world economy as a whole. Although many of its problems persist, in comparative historical terms Latin America resembles the nations of southern and western Europe of the not-too-distant past far more than the underdeveloped countries of Africa and Asia.

The field of Latin American studies is only now coming to terms with the significance of this improvement in the relative status of the

region. Yet signs of Latin America's particular advantages have been around for a long time, especially within the field of Latin American studies itself. The greater intellectual vitality of Latin American studies as compared with most foreign-area fields has almost certainly resulted from the vigorous interaction between U.S. academics and the outstanding cohort of colleagues in Latin America, which has no counterpart in the study of Africa or Asia.

The somewhat anticlimactic North American Free Trade Agreement (NAFTA, ironically the Argentine word for gasoline) is another symptom of Latin America's heightened status. NAFTA will almost certainly be only the first of a series of similar hemispheric treaties. Economists generally agree that free trade is a good thing, a view disputed mainly by those who lose their jobs as a result. Cynics observe that trade agreements that actually work do so because they ratify what is already taking place. The virtues of such agreements aside, what is most important about the formalization of hemispheric trade arrangements is that they are now of geopolitical importance. The fear of trade barriers in other parts of the world is currently leading both the not-so-formidable shark and the not-so-small sardines toward symbiosis. The Pan American union, that controversial and long-abandoned ideal, now appears to be in the process of realization for economic rather than visionary motives.

The field of Latin American studies has set the intellectual agenda for other foreign-area fields for several decades. That agenda is evolving as new challenges face Latin America. The achievement of social compromise, the institutionalization of stable democratic regimes and civil rights, and the movement toward privatization, economic integration, and export-led development may be more characteristic of contemporary Latin America than of the rest of the former Third World. Nevertheless, Latin America is beginning to realize policy objectives that are of intense interest not only to the underdeveloped countries of Africa and Asia but also to the former Communist bloc nations and, for that matter, to the developed countries. In the wake of the Great Depression, Latin America played a vanguard role in developing the strategy of import-substitution industrialization. Today the region is charting a new course for development in the post-Cold War environment. The Latin American experience continues to be of empirical and theoretical significance for the world at large.

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