

1 Economic Regulation as Materialization of Development Ideology 2 in Latin America

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5

6 **Abstract**

7 This article is part of an extensive research project that aims to verify the particularities of
8 social and economic development in Latin America in the late 20th and early 21st centuries.
9 We work with the hypothesis that, although the countries of the Latin American continent
10 present different degrees of development, their economies still remain linked to a type of
11 external regulation that induces them to believe in the possibilities of development, without,
12 however, reversing the levels of dependence on the countries of central capitalism. It is,
13 therefore, an ideology of development that enables topical, occasional, and specific advances,
14 but does not overcome the economic and political subordination of the Latin America. In this
15 article, we present the two main assumptions of the research: firstly, we explain what we mean
16 by development ideology and, secondly, we summarize some aspects that demonstrate how
17 development ideology is expressed in Latin America in the late 20th and early 21st centuries
18 through diversified economic regulation processes.

19

20 **Index terms**— development, ideology, economics, dependence, economic regulation.

21 **1 Introduction**

22 In 10 th February 2020, the United States Department of Commerce took measures to increase US power to act
23 against export subsidies. This involved changing the classification of more than 20 countries from "developing
24 countries" to "developed countries", including Argentina, Brazil, Colombia and Costa Rica. These measures
25 were applied to countries fulfilling any of the following criteria: a) countries with a share of more than 0.5%
26 in total world trade, such as Brazil, India, Indonesia, Malaysia, Thailand, Vietnam, Hong Kong and Singapore;
27 b) member countries of the European Union, such as Bulgaria and Romania; c) member countries or countries
28 in the process of joining the OECD, such as Colombia and Costa Rica; d) G20 member countries such as
29 India, Indonesia, Argentina and South Africa and; e) countries that consider themselves developed or that have
30 never declared themselves 'under development' to the WTO such as Albania, Armenia, Georgia, Kazakhstan,
31 Kyrgyzstan, Moldova, Montenegro, Macedonia and Ukraine.

32 The status of a developed, developing or underdeveloped country has not only symbolic implications. These
33 classifications determine how countries are treated in international trade transactions and are perceived as a
34 measure of the country's autonomy in relation to its own economic policy.

35 Although liberal or ultra-liberal countries-such as contemporary Brazil-refute state interventionism, it is known
36 that few measures of capitalist development can forego articulation between the market and the interventionist
37 state. Thus countries often subsidize the production of goods and services to induce the development of certain
38 sectors of their economies, though this can lead to endless disputes in international courts such as the World Trade
39 Organization (WTO), for example. Nevertheless subsidies such as tax benefits or financial incentives are more
40 tolerated in less developed countries: the central idea is to contribute to the "development" of these countries.

41 The United States Department of Commerce measures, although wide in scope, have a specific target: China.
42 Chinese commercial benefits have been withdrawn. US President Donald Trump has spoken on the subject several
43 times already, including at the World Economic Forum meeting in Davos this year, declaring: "China is viewed
44 as a developing nation. India is viewed as a developing nation. We're not viewed as a developing nation. As far

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45 as I'm concerned, we're a developing nation, too". Thus, Trump expresses dissatisfaction with the use of a device
46 deployed by the American government since the Truman Era: the ideology of development and the regulation of
47 economic transactions as a fundamental (and insidious) form of its materialization. It is precisely this which so
48 troubled the American president that will be examined in this article, albeit in summary and preliminary form.

49 On the one hand, we know that the countries of Latin America present different degrees of development,
50 however, their economies still remain linked to a type of external regulation that induces them to believe in
51 the possibilities of development, without, however, reversing the levels of dependence on the countries of central
52 capitalism. It is, therefore, an ideology of development that enables topical, occasional, and specific advances, but
53 does not overcome the economic and political subordination of the Latin America. And we consider, therefore,
54 that this process of dependence is not an episodic part of a trajectory towards development, but rather a specific
55 form of capitalist existence, which, in addition to market relations, involves the international movement of
56 capital (especially in the oscillations of foreign direct investment -FDI), political influence on the dynamics
57 of industrialization and deindustrialization, and different types of nationalism and technological dependence.
58 Thus, the particular character of Latin America's integration into the international economy results from this
59 combination of factors.

60 On the other hand, we emphasize that little is said, both in the academic and political circles, about ideological
61 aspects concerning macroeconomic regulation neither on a global nor local scale. In the research we are conducting
62 -and here present briefly-we consider that macroeconomic regulation cannot be seen only in technical terms,
63 devoid of any class interests; rather, it is a specific means of materializing the ideology of development from the
64 perspective of a project of domination that keeps the centre-periphery relationship of world capitalism unchanged
65 in essence, although there are changes on its surface.

66 The remainder of this article consists of two main parts: the first explores the historical construction of development
67 ideology, while the second problematizes some political and economic aspects of the dissemination of this
68 ideology in Latin America, followed by some concluding remarks.

69 2 II. Development Ideology: What is it All

70 About?

71 The scholarly focus on ideology in recent decades has been unprecedented. Not even during the so-called 'Cold
72 War' period , when the USA and the USSR vied for control of the world was the term so widely used. At that
73 time, more important than fighting forms of social conscience -the classic definition of ideology -was challenging
74 economic and political control of global transactions: a kind of 'practical ideological dispute'.

75 Today, world geopolitics is quite different from what it was in the 20th century. Walls fell on one side, twin
76 towers fell on the other and new political and economic actors arrived on the scene roaring like tigers, hence the
77 use of the term "ideology" both as a noun and as an adjective has returned to discourse in full force.

78 In the academic world, especially in social science and political science, there is no consensus on the definition of
79 ideology. What we find are trends that become more or less accepted depending on the depth of the arguments and
80 theoretical affiliations. However the polysemy of the word does not prevent us from adopting a conceptualization
81 that supports our explanation of how ideology and development are related.

82 The most common idea of ideology is one that understands it as the materialization of a thought that expresses
83 a certain worldview linked to a social group. In this sense, there would be no single ideology, but several ideologies,
84 each expressing a different set of meanings for phenomena and for social relations.

85 Therefore, it would be 'natural' for different worldviews to come into conflict with the intention of gaining
86 legitimacy for themselves and eliminating contrary thoughts. This conceptualisation, although backed by reality,
87 is problematic. Ultimately it justifies existing inequalities in society, treating class conflict as an inherent part of
88 life in society, maintaining the system of domination as a legitimate means of social organization and preventing,
89 in theory, the validation of other societal projects.

90 From this perspective, ideology is conceived as a certain view of reality, albeit a false view. That is, contrary
91 to recognizing ideology as a synonym for 'different ways of thinking', some intellectuals sought to define and
92 restrict it to those forms of perception of reality that hinder important dimensions of this same reality, being
93 partial and incomplete. As with the previous conceptualisation, this reasoning also has limitations in that it
94 does not demonstrate that forms of social consciousness do not appear as 'magic' in the consciousness itself,
95 but through daily social practice, which is engendered by work 1 If ideology does indeed derive from concrete
96 relationships, then it will also be a structuring component of what some authors call the 'battle of ideas', that is.,
97 the cognizable (rational) envelope of political dispute. Thus, different ideologies can be constructed, transmitted
98 in countless ways, means, spaces, times and will be subject to the volatility typical of social relations. What
99 we are interested in retaining is that, as part of the game of political and economic interest and as part of the
100 social processes of domination, the ideology built by dominant groups tends to be accompanied by a process
101 of dehistoricization of social phenomena. In order for the socio-economic projects of dominant politicians to
102 succeed, it is necessary for certain social phenomena original in and its results. These have galvanized the different
103 social formations and different modes of production throughout the history of human society or, as Marx stated,
104 "men make their own history, but they do not make it as they please; they do not make it under self-selected
105 circumstances, but under circumstances existing already, given and transmitted from the past".

106 Thus, an ideological complex encompasses the bearer's worldview, whether false or partial, but it also

107 encompasses different particular manifestations of the totality coming from other subjects in relation. In this
108 way, if the 'ground of reality' is what sustains it, we assume that the ideological complex will tend to be a
109 permanent come-to-be.

110 Work is understood here as the essential process of transformation of nature by man, with the intention
111 of producing everything that is necessary for its survival. From this process, and with its historical evolution,
112 social relations contracted by the way this production is organized. Exploiting labor in the past and exploiting
113 the labor force in modern societies social relations to be decontextualized from their history in order to be made
114 natural .

115 The best example of this is the way in which the ruling class, worldwide, deals with the problem of inequality.
116 According to this thought, socioeconomic inequality is natural and inherent to the human condition, since human
117 beings are different from each other and have different capacities. Inequality is thus dehistoricized and conceived
118 as inevitable and unfailing.

119 It was specifically in this context that the concept of 'development' became embedded in strategies of capitalist
120 domination worldwide, thereby becoming an ideology. But how did this happen?

121 From a historical perspective, if we treat development as a synonym for evolution, we can consider that since
122 antiquity humanity has always tried to develop. However, if we consider the use of the term development as an
123 ideological component of a societal project of domination clearly representing the interests of a social class, we
124 can use as a starting point the twentieth century, the two world wars and key revolutions.

125 In the years before World War ?? (1914 -1918) and the first decades after its end, the USA emerges as the
126 driving center of the international capitalist system, in contrast to the Russian revolution of 1917 and the creation
127 of the USSR in 1922; this opposition inaugurates the race for development. This is due, on the one hand, to the
128 defence of the free market and laissez-faire led by the USA and, on the other hand, soviet state planning of the
129 economy and the collectivization of the means of production.

130 In the wake of the 1929 economic crisis, the embryo of the ideology of development was born, as both sides
131 of the divided world sought to offer answers that would give visibility to their respective social formations. But
132 it was only after the end of World War II that development as an ideological element of a corporate project was
133 established as a class strategy 2

134 The need to reorganize of the post-war world and justify peace building led to the creation of organizations
135 with a global character that, in the final analysis, would confer a certain unity to a particular development model
136 to 'reconstruct' the world and guarantee peace. With the creation of the United Nations in 1945, the debate
137 on development was embedded in the agenda of the Economic and Social . 2 In the book "Dominant Classes,
138 Politics and Contemporary Capitalism" (Florianópolis: Editora em Debate / UFSC, 2018, 178 p.) Danilo Enrico
139 Martuscelli problematizes the theory of elites and demonstrates how the national dominant classes (called internal
140 bourgeoisie by Nicos Poulantzas) they can constitute themselves as a kind of "world bourgeoisie". In the article
141 "the transnational capitalist class -theory and empirical research" Leslie Sklair rethinks the concept of capitalist
142 class in contemporary terms due to globalization. In SKLAIR, ??eslie (2016). The Transnational Capitalist
143 Class. 10.1007/978-3-319-31816-5_2761-1.

144 https://www.researchgate.net/publication/311577605_The_Transnational_Capitalist_Class

145 Council (ECOSOC) on a permanent basis, leading to the creation of regional commissions such as the Economic
146 and Social Commission for Asia and the Pacific (CESPAP), Economic and Social Commission for Western Asia
147 (CESPAO), Economic Commission for Africa (CEPA), Economic Commission for Europe (CEPE), United
148 Nations Conference on Trade and Development (UNCTAD), Economic Commission for Latin America and the
149 Caribbean (ECLAC), and the World Bank (IBRD) and International Monetary Fund (IMF) 3 . Before the
150 creation of the UN, the Bretton Woods agreement (1944) already contained guidelines that would inaugurate
151 a new international monetary system based on the gold standard -that can be considered a precursor to the
152 globalization of a specific pattern of development within the renewed international system of capitalism 4

153 As an economic concept, we note that the dictionary is not referring to the global growth of a country or
154 region, accompanied by an improvement in the living conditions of the population of any country or region. It
155 refers, therefore, to countries that present, in the set of their productive forces, adequate conditions to overcome
156 a current social way of life considered outdated, and, pressured by the evolution of these forces and the class str
157 ugle inherent to it, tends to replace it by new productive patterns and new social relations, configuring not
158 only the civilizing evolution it . The use of the gold standard lasted until 1971, when the USA decided to replace
159 this standard with a free-floating system referenced to the US dollar, the euro, the yen and the pound.

160 This institutional apparatus supported the implementation of public policies that proposed development and
161 gave rise to an intelligentsia dedicated to dealing scientifically with the subject. Dependency and Development
162 in Latin America, the classic 1967 work by sociologist Fernandó Henrique Cardoso and sociologist Enzo Faletto,
163 from Brazil and Chile respectively, proposed that the patterns of socioeconomic dependence of Latin American
164 countries (at the time termed 'underdeveloped') did not result in economic stagnation and underdevelopment.
165 This work, as well as others by the same authors, served as support for ECLAC throughout the 1970s and 1980s.

166 Since then the word development has lost its generic content and has come to refer almost exclusively
167 to macro-economic processes. The Portuguese language dictionary Cal das Aulete defines development as the
168 "global growth of a country or region, accompanied by an improvement in the living conditions of the population",
169 however represents, but also its structural and cyclical crises ??PAULA, 2016, p. 172).

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170 The term development is therefore already completely immersed as an ideology and, through its association
171 with capitalist social evolution, it presents as a dominant tendency the hypertrophy of its civilizing aspects,
172 disguising the expropriation on which it is based. At global levels, it justifies [inequality and poverty] 5

173 The acceptance of the Truman doctrine in the block of capitalist countries is not only due to the "help"
174 coming from the USA, but is complemented by the way the USA is able to culturally influence the world by
175 (...) and in summary, it refers to considerable fissures in the current ways of organizing social life ??idem, p.
176 172-173).

177 Brazilian sociologist Otávio Ianni (1989, p . 97) proposed this as a process of rupture with the present:

178 In some cases the rupture is total, as occurs in nations that choose to develop according to the socialist way
179 of organizing production. Socialism embodies the theory, the movement of ideas, the conceptualization of the
180 history of this alter native. In essence, it implies the complete negation of the present, that is, of the capitalist
181 mode of production, in its colonial, semi-colonial or realized form. In other cases, there is only an occasional
182 interruption, a transient break in those nation's relations with itself and with the outside world.

183 Whether as a total or partial rupture, we can work with the hypothesis that development is institutionally
184 assumed as an ideology from the moment at which the 33 rd President of the United States, Harry S. Truman,
185 addressed the US Congress and committed to "defending the free world against the communist threat", giving rise
186 to what was conventionally called the Truman Doctrine; the so-called Cold War was born there. Subsequently,
187 Truman and his Secretary of State George Catlett Marshall announced economic-financial measures to stimulate
188 development in European countries destroyed or affected by the war; however the Truman doctrine and the
189 Marshall Plan also created the new international category of 'underdeveloped countries'. These would be
190 targeted with actions that would spread the USA's scientific, technological and industrial progress. Global
191 geography, then, proceeds to classify the countries of the world into three blocs: the 'First World', composed
192 of more or less 'developed' capitalist countries, led by the USA; the 'Second World', composed of more or
193 less developed socialist countries, led by the USSR; and the 'Third World' composed of countries classified
194 as 'underdeveloped', comprising the whole of Latin America and Africa, and parts of Asia and Eastern Europe.
195 What is striking about the Truman doctrine is that the idea of development is inherently associated with notions
196 of progress and, like John Locke, links the notion of freedom with that of democracy and private property.

197 universalizing customs, ideas, values, the American way life, in short an ideological complex.

198 In this context, underdeveloped countries came to accept this conceptualization-either tacitly or explicitly-
199 through its prerequisite: that in order to be 'developed', it is necessary to be first be 'underdeveloped'.
200 Development is seen, then, as a utopian horizon for any nation that wishes to progress.

201 The post-World War II world was particularly conducive to the implementation of this ideology, since changes
202 in the global geopolitical order were in full swing: the Chinese Revolution of 1949, the end of the Korean War in
203 1953, the Cuban Revolution in 1959, decolonization from the early 1960s, the construction of the Berlin Wall in
204 1961, and so on. Through these processes, numerous countries were compelled to structure or restructure through
205 the implementation of market-oriented development measures. Based on the so-called development theories that
206 proposed development economics or 'state and nation building analysis', intellectuals such as Talcott Parsons,
207 Bert Hoselitz, Seymour Martin Lipset, Daniel Linner, Arthur Lewis, Paul Rosenstein Rodan, Ragnar Nurske, and
208 in particular Walt Whitman Rostow, Hans Singer, Gunnar Myrdal, among others.

209 The animation of this developmental debate went beyond the intellectual sphere and invaded the hegemonic
210 press, as can be seen in the following editorial from Economic Development and Cultural Change Attention
211 should be paid to the theoretical assumption that development involves particular social groups which perform
212 the main innovating function. It can be observed historically that where development has taken place, it has
213 been organized and led by a relatively small, self-conscious social group using control of economic growth as a
214 means of achieving and maintaining power and status in the society. For economic development to occur, a group
215 which does come to control the economy in the way described must base its activities upon an ideology which
216 systematically encourages productive (output-increasing) investment. As a tentative generalization worthy of
217 study it might be said that since the sort of control we are talking about can be achieved by self-conscious
218 effort (as, for example, by guns and propaganda), those groups will come to power which are best able to utilize
219 advanced and objective techniques of manipulating their environment. This implies that, over a long period of
220 time, those groups would win in our hypothetical competition which used more efficient economic and social
221 tools. But, while a historical view may indicate a selective process whereby the rise of particular groups to power
222 can be explained, it does not follow in modern times any more than in earlier ones that such groups will use
223 their power for purposes of "development" in our terms. This is in fact particularly true at present, since the
224 more advanced West presents to underdeveloped areas a wide array of tools of control from which to choose,
225 not all of which contribute to the goal we have in mind. Western military and Propaganda devices are the most
226 easily assimilated of the techniques of the industrial world, and are as easily used to bolster a social structure
227 which retards growth as to aid in social change favoring growth. Stress here should be laid on the problems
228 of identifying social groups fulfilling our conditions, and of relating such groups, with their various origins and
229 particular roles, to the social and economic structure of the society in which they arise 6 6 MORIN, Alexander.
230 "Editorial". Economic development and cultural change. ??ol. 1, no. 1, 1952. In PRADO, Fernando Correa.
231 The ideology of development and the dependency controversy in contemporary Brazil. Doctoral thesis. UFRJ,
232 2015, p. 53.

233 . The editorial's full agreement with development theories and its almost 'imperialist' way of imposing itself on
234 the world is evident. It should be noted that development economics is neither spontaneous nor random; it has
235 rational theoretical supports. It also has a class character, is supported by an ideology, and must be universalized.
236 And , most relevant to this discussion, the development economics project is offered to underdeveloped countries
237 as a gift and in an apparently democratic way, not with standing the difficulties of their adaptation to very
238 specific local realities. Lastly, the power of war and propaganda is recognized both in the strategy of imp osing
239 the development economy and in the particular process of its implementation.

240 In Brazil, the impetus of development ideology is associated with the emergence of autocratic forms of
241 government during the period known as Estado Novo ??1937) ??1938) ??1939) ??1940) ??1941) ??1942) ??1943)
242 ??1944) ??1945) ??1946) under the command of President Getúlio Vargas, and later during the period of military
243 dictatorship . A similar scenario was seen in so many countries in Latin America that it became a fertile region
244 for the implementation of this ideology.

245 As we have already said, key to the ideology of development is the permanent duty to overcome a stage
246 of development considered backward, imposed by another considered advanced and more civilized. Brazilian
247 economist Celso Furtado regarded underdevelopment as a singular historical phenomenon, supported by the
248 myth of the diffusion of development as a possibility and goal of a modern collective rationality. For Furtado,
249 development is a myth because, on the one hand, the capitalist patterns of production and consumption on
250 which it is based exhaust the availability of resources necessary for survival and , on the other, most countries
251 on the capitalist periphery are excluded from the benefits of growth when it occurs in the center (...) not rising
252 significantly with industrialization ??FURTADO, 1974).

253 Thus, Furtado exposes the utopian horizon of development by showing that, although universally present in
254 official political discourse worldwide, the global capitalist structure does not allow equal development for all.

255 **3 III. Economic Regulation as a Functional Element of Devel- 256 opment Ideology**

257 We have witnessed structural and cyclical crises that led to the collapse of traditional liberalism, giving rise to
258 alternatives such as Keynesianism and the Welfare State. After demonstrating the virtues of state intervention
259 in the economy, these approaches gave way to neoliberalism led by Ronald Reagan ??1911 -2004) in the ??SA
260 and ??argaret Thatcher (1925 -2013) in the UK, and found successful laboratories in Latin America as in Chile
261 with Augusto Pinochet ??1915 -2006) or with Peru by Alberto Fujimori ??1938 -current). This neoliberal
262 hegemony was interspersed , especially in the first decades of the 21st century, with occasional experiences from
263 government s with a greater social inclination. These at least presented alternatives to the already agonizing
264 model of neoliberal development, but did not in any way represent a reversal of the capitalist mode of ec onomic
265 production. In North America, this process had the symbolic effect of the election of Barack Obama (1961
266 -current), the first black president of the USA, and in this case the political effects were more distinctive than
267 the economic orientation. But it was in Latin America that Democrats and Social-Liberals experimented with
268 greater vigor, as was the case in Brazil with Lula da Silva (1945 -current), Venezuela with Hugo Chávez ??1954
269 -2013), Bolivia with Evo Morales (1959 -current), Ecuad or with Rafael Correa (1963current), and Uruguay with
270 José Mujica (1935current) 7 One might well ask what differentiated the social experiences under these more
271 left-wing Latin American presidencies from those under previous neoliberal governments, when a significant part
272 of the macroeconomic agenda of these countries had remained untouched. Firstly, it is necessary to note that
273 the movement that brought left and centre-left parties to power in Latin America in the late 20th and early 21st
274 centuries is nothing more than the particularized and late expression of a dynamic that had taken place in USA
275 and Western Europe during the 'glorious years' ??1945 -1975), where economic strength was accompanied by
276 political advances that underpinned capitalist development while promoting a symbiosis (or Volume XX Issue IV
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278 **4 (E)**

279 syncretism) between market economy and democracy representation. In many countries such as France, Spain,
280 the Netherlands, Sweden, Norway, Denmark, Finland or Austria, social democratic parties and even some parties
281 considered 'socialist' broke with revolutionary programming to prioritize social reforms, made possible by their
282 inclusion in government and by the command of the State apparatus with its institutions of representative
283 democracy.

284 Authors such as ??rzeworski (1989) or Esping-Andersen ??1985) infer that this change in political orientation
285 transformed social democracy and positioned it as the mainstream in the European left. Those parties that
286 sought to maintain the orthodoxy of the proletarian agenda remained distant from institutional involvement,
287 due either to poor performance in elections or outmanoeuvring by social democrats, who effectively supplanted
288 the class character of workers' organizations and promoted reconciliation between social classes, especially in
289 economic and social matters.

290 Over time, especially in the post-World War II context, even socialist parties ended up diluting the supposed
291 'radicalism' of the revolutionary agenda with a reform agenda. But even within the institutional game, the
292 agenda of the reformist left continued to differ in form and content from the agenda of the liberal right as

293 it advocated, among other things, state responsibility in those areas of the market which were non-profit but
294 nevertheless fundamental for the economy, both from the perspective of infrastructure and regulation. This was
295 manifest in counter-cyclical policies based on welfare theories implemented to compensate for market dysfunction
296 ??PRZEWORSKI, 1989). Inequality of results, in this case, could be mitigated through the universalization and
297 demercantilization of the pension and money transfer systems, of education and health systems, and of gradual
298 reforms in tax systems.

299 The liberal agenda, on the other hand, held firm the idea of a minimum state that privileges the satisfaction
300 of social needs by the market, such as the sale of health and education services, and social security and assistance
301 systems that are residual and conditioned by means-testing.

302 The macroeconomic agenda of these antagonistic groups presents patterns that are repeated, although each
303 country retains its particularities. These patterns are directly related to class structure, how classes relate to
304 each other and to the State. In liberal democracies, the basic premise that the State must be permeable to class
305 interests works to mediate conflicts and socially balance the structural inequalities of the market economy. This
306 serves as a guiding principle for both the social democratic or socialist left and the liberal or moderate right. 9
307 Therefore, it is easy to note that when the government recommends the creation of jobs even with high inflation
308 rates, the interests of the popular classes or the subjective living conditions of the lowincome population are
309 better served . This trend is prevalent in social democracy.

310 On the other hand, when price stability is galvanized by low inflation, but with the increase in unemployment, it
311 is common for state command to be hegemonized by liberal groups linked to high-income social classes. Douglas
312 ??ibbs (1977) studied this dynamic in depth and concluded that the reduction in unemployment rates has
313 traditionally been achieved by Democratic and Labour governments rather than Republican and Conservative
314 governments.

315 If this dynamic is correct and we can affirm it in a generic perspective, one could also infer that in Latin
316 America during the first decades of the 21st century the consolidation of democracies enabled political renewal
317 of the bloc of countries. Left and centre-left parties in the region rise and question the old postulates of liberal
318 orthodoxy. Source: Prepared by the author, 2020.

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320 While the ideology of development has been propagated in Latin America since 1950 by the influence and work
321 of ECLAC, the region's internal contradictions and economic profile materialized it in different forms compared
322 to other blocks of countries. In the 1930s, industrial production became almost as important to Latin America as
323 agribusiness exports. Brazil, Chile, Argentina, Mexico, Uruguay and other countries came to rely on the industrial
324 elite and , later, a financial elite.

325 The development of such economic diversification has historically enabled leftist groups to increase their power,
326 as we have mentioned elsewhere, through a number of means: the existence of a diversified Union movement,
327 with centralizing tendencies, open to ideological divides and globally organized; centralized collective bargaining
328 and recognition by advanced labor legislation; and joint participation in the formulation of government policies
329 and decisions by representatives of both Capital and labor organizations. And at the same time, however, this
330 was counterbalanced by developments on the right: the rise of a national bourgeoisie -agrarian, industrial and
331 financial -that becomes part of the world economy; governmental support for the internationalization of local
332 companies; and a higher level of spending on public works and activation policies based on money transfers
333 inducing mass consumption.

334 Globalization is structurally based on the deterritorialization of capital flows around the world, and the
335 resulting processes allowed some countries to group themselves not just by territorial proximity but by similarities
336 in relation to the degree of development, using material and objective indicators of development ideology. In the
337 context of Latin America, Brazil stands out in its leadership of this new dynamics of development both locally,
338 through the Union of South American Nations (USAN)-which brings together Mercosur, the South American
339 Common Market, and the Andean Community (CAN) -and globally, through its participation in the bloc of
340 major emerging economies known as BRICS (Brazil, Russia, India, China and South Africa). While the latter
341 is not an economic bloc like the European Union, but rather a kind of political alliance that aims to influence
342 the world economy geopolitically, members can nevertheless establish translational agreements that improve the
343 competitive conditions of these countries in relation to others. Graphs 1 and 2, for example, show that the
344 Brazilian GDP was directly impacted by the 1998/1999 crisis, presenting a considerable fall of 30.5% , stabilizing
345 in 2000, falling again and only recovering from 2003 onwards, but always occupying a prominent place in the
346 group. In comparison with BRICS countries, China is the only country that grows in the 1998/1999 10 Brasil
347 reduction of labour legislation and increase in industrial mass production mechanisms. The bloc's participation in
348 the world economy gave it the influence it sought. However in the Brazilian case, in comparison with other Latin
349 American countries, austerity measures made explicit one of the most elementary contradictions of capitalism:
350 the accumulation of capital or the increase of GDP (and other economic growth indicators) does not necessarily
351 imply the socio-economic independence of countries in capitalist periphery, not even within this bloc of emerging
352 countries. Graph 3, for example, shows the stock of external debt in Latin America and the Caribbean compared
353 to Brazil, and allows us to verify that the aggregate indices of other Latin American countries remain very close
354 to those of Brazil, which implies that as an emerging economy the Brazil is not far ahead of its neighbours. This

355 is due in part to the degree of its continuing dependence on monetary and fiscal policy and its immense external
356 vulnerability, in addition to which -unlike China -the country has with held investment in industrialization in
357 favor of the primary sector and the production of c ommodities. Graphs 4 and 5, likewise, reiterate our inference
358 of dependency as public debt servicing increases exponentially, especially during periods of crisis. The timely
359 payment of public debt servicing (interest and charges) is a political choice of peripheral capitalist countries to
360 maintain credibility with the international economic community. However the debt is never finally settled because
361 even if payment s are made, these are not audited, which results in a condition of permanent dependency. To
362 balance their accounts, peripheral countries rely on foreign direct investment. But the inflow of foreign capital
363 is not just a measure to clean up the accounts of indebted and in-crisis countries; it can also occur as an offer
364 to expand a development cycle that is already underway, through preferential movement of 'big capital' since
365 monetary stability minimizes the risks of default. Furthermore, Foreign Direct Investment (FDI) mainly coming
366 from the capitalist centre (so-called developed countries) obeys the moral appeals of the traditional cephalan
367 (from ECLAC) development theory. According to this theory, development is about the full realization of the
368 economy -Cartesian typified by the primary, secondary and tertiary sectors -achieved from the evolution resulting
369 from a sum of factors ranging from stability to investment, or, more simply: with the diversification of industrial
370 activity ??PREBISCH, 1949 and ??952). Underdevelopment, then, is a stage prior to that stage, but a constituent
371 part of the same process. In other words Development theory asserts that underdevelopment is a stage prior to
372 full development. This would, however, represent something accessible to all countries that endeavor to create
373 the necessary conditions for this. ??MARINI apud CASTELO, 2010).

374 In this way, one can see that the flow of FDI is closely related to the condition of dependence of the countries
375 of the capitalist periphery, in relation to the central ones, being a constituent part of it. In the 1990s, FDI grew
376 worldwide, with Asia and Latin America and the Caribbean standing out as the largest recipients. From 1990 to
377 2005, only those emerging countries in Asia received 55% of the total FDI (China alone represents 23% of this
378 total) and Latin America and the Caribbean in second place, with 33% as shown in Graph 6. Furthermore, the
379 dynamic of FDI retracts in periods of crisis. Graph 7 shows this retraction in developing countries, in the crises
380 of 1998 and 2002, however, the relationship of dependence and the expropriation of its inherent periphery are
381 evident when there is a direct migration of these investments to developed countries, in the period of 1998 to
382 2001 and from 2004 onwards. That is, the crisis in the periphery conditions growth in the centre. In this way
383 one can understand dependency as an epiphenomenon of the capital accumulation process, which conditions the
384 development of an economy through underdevelopment or dependency on another. Or as ??arini (1977, p. 18)
385 states:

386 [es una] 13 relación de subordinació n entre nacio nes formalmente independientes, em cuyo marco las relaciones
387 de producció n de las naciones subordinadas son modificadas o recreadas para assegurar la reproducció n ampliada
388 de la dependéncia 14 .

389 Volume XX Issue IV Version I Fiscal and monetary adjustment policies include a range of measures: the
390 reduction of public spending on privatization and large-scale shareholdings; the gradual removal of the State from
391 its interventionist social functions, reduced to the control of monetary stability (inflation targets based on high
392 interest rates, remuneration of speculative capital); the gradual annihilation of national industry, due to its global
393 competitiveness is weak and reliance on import substitution, in addition drag induced by the process of productive
394 restructuring that results in overspecialization (and fragmentation); and in the contraction of the economy beyond
395 the above combination of factors due to the reduction in the added value of the manufacturing industry, the de-
396 substitution of imp orts, the reprimanding of exports, technological dependence, denationalization, the loss of
397 international competitiveness, and so on. This is the process that marks the impossibility of a truly independent
398 path of development and makes economic regulation a functional element of the development ideology.

399 IV.

400 6 Conclusive Approaches

401 The word development has apparently become so sel f-explanatory when it comes to economics and politics that
402 no one asks what development actually is. So, when we talk about development, the most common thing is to go
403 straight to the question: how to develop? In other word s, the 'how' has become the only means of legitimizing
404 development, since the answer to the 'why' of development has al so become obvious. And so development has
405 been treated as a set of rational procedures oriented towards a purpose, determined by groups that have political
406 and/or economic power in the different countries of the world. According to this perspective, development i s
407 just a technical piece that can be implemented in different ways. And how did we get to this state of affairs? The
408 answer is simple: development was removed from its historical context, and when so removed it can be conceived
409 as something above social interests, it is something aseptic that has the property of engendering consensus in all
410 strata of society. After all, no one in their right mind can say they are against development.

411 As such, the 'how' becomes the stage for political dispute between different social groups, which without
412 reversing the structural guidelines of the capitalist accumulation system, will make it possible for different
413 corporate projects to become explicit. But in general, development will be nothing more than an abstraction,
414 something that is sought in an endless way, something that is placed on a utopian horizon. This is what sustains
415 what we know by development ideol ogy.

416 This development ideology arises from the imperative need of the nations of central capitalism, above all the

6 CONCLUSIVE APPROACHES

417 USA, to maintain its dominion over the countries of the capitalist periphery. Opportune historical moments are
418 used, such as moments of economic crises, post-war settlements, and instances of geopolitical restructuring of
419 the world amongst others. In these gaps in history, it is possible to offer options that seem promising for a happy
420 and prosperous future as a survival alternative.

421 In Latin America, this ideology took root while it had to be adapted to local realities. It is because of the
422 spread of this ideology that most Latin American countries fail to realize that the utopian horizon of development
423 is one of the main strategies for maintaining the continent's dependence on the global centres of capitalism. In
424 this text, we try to make evident the historical assumptions of the ideology of development and problematize the
425 question of dependence based on some data collected during the first stage of the research that analyzes the late
426 20th and early 21st centuries.

427 Currently, the continent is undergoing significant changes that merit further study and greater attention by our
428 researchers. If during the 1930s and 1980s several countries in the region lived with dictatorial governments, from
429 the end of the 1980s until the first decades of the 21st century, many countries experienced social democracies
430 that could present alternatives to the institutional and political 'possibility management' of public life to date.
431 Again in recent years the continent has undergone new changes, where neoliberal and far-right governments have
432 returned to power and implemented more virulent austerity measures than those of their historic predecessors.
This puts development back on the public agenda and justifies continued investigation of the issue. ^{1 2}

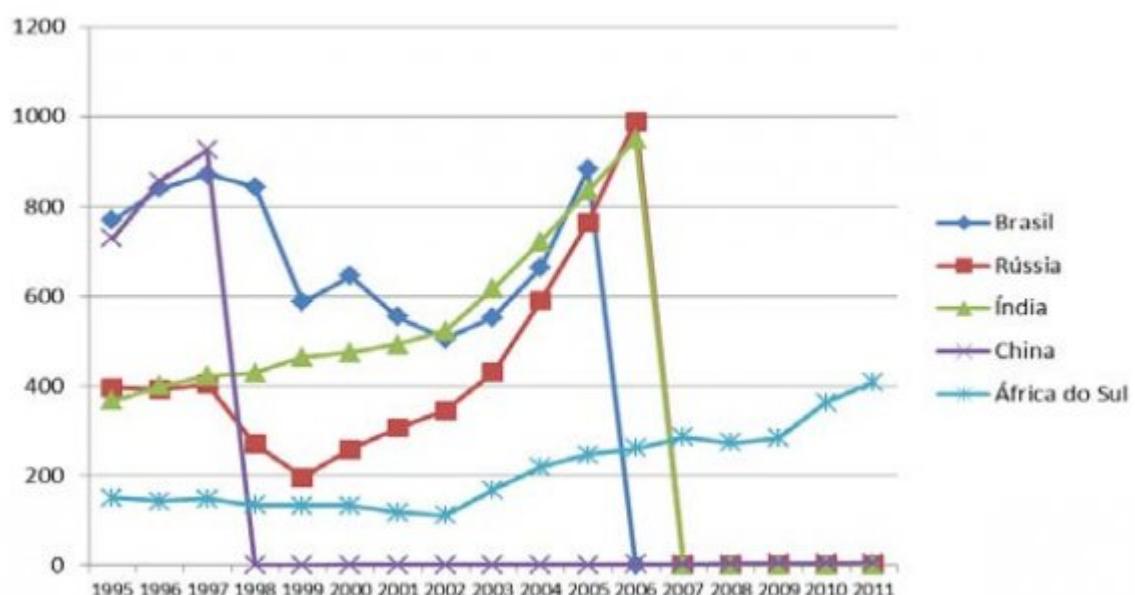


Figure 1: .



Figure 2:

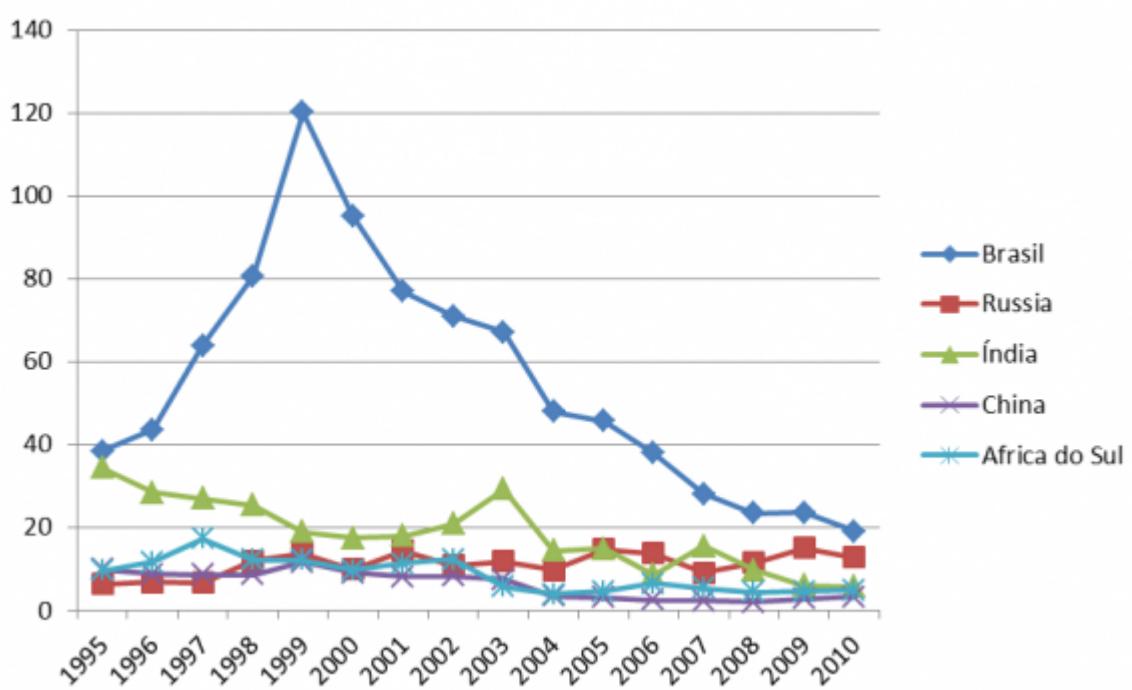


Figure 3:

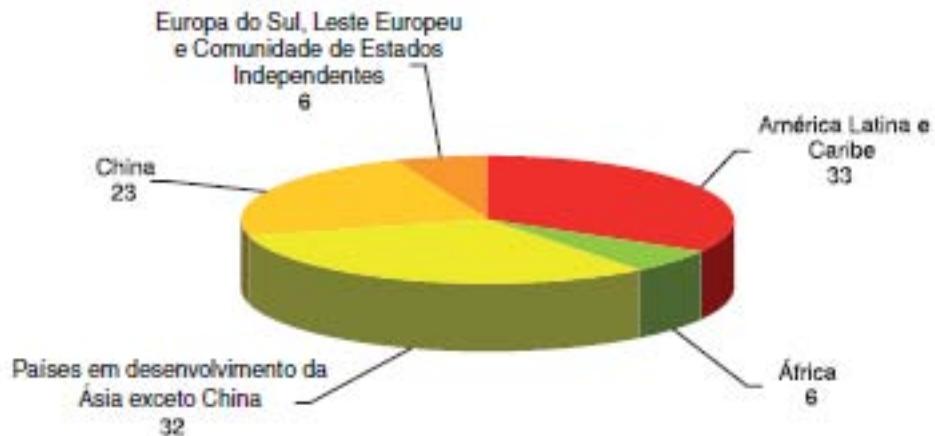


Figure 4:

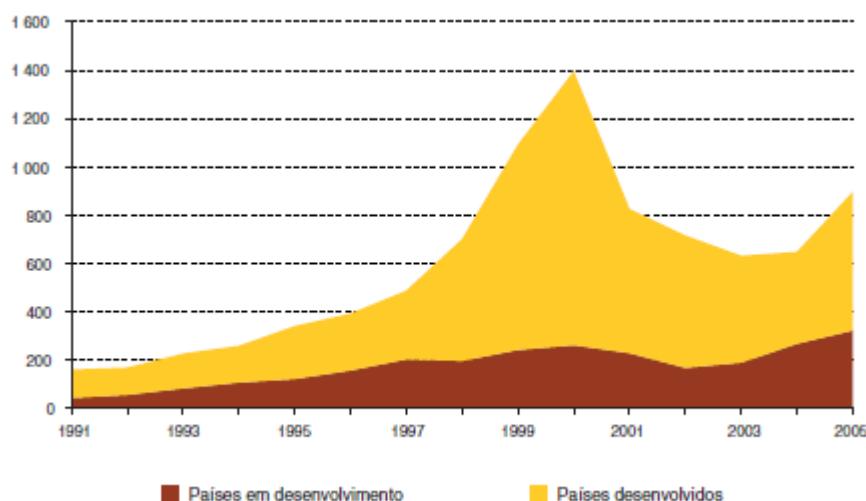


Figure 5:

7 Ronald Reagan was president of the USA from 1981 to 1989; Margaret Thatcher was Prime Minister of the United Kingdom from 1979 to 1990; Augusto Pinochet presided over Chile from 1973 to 1990; Alberto Fujimori was president of Peru from 1990 to 2000; Barack Obama was president of the USA from 2009 to 2017;

Figure 6:

1

		2011	2016	2020
Argentina	Cristina Kirchner	Left	Maurício Macri	Alberto Fernández
Bolivia	Evo M orales	Left	Evo M orales	Jeanine Añez
Brazil	Dilma Rousseff	Center-Left	Michel Temer	Jair Bolsonaro
Chile	Sebastián Piñera	Right	Michelle Bachelet	Extrem right-wing
Colombia	Juan Manuel Santos	Center	Juan Manuel Santos	Sebastián Piñera
Ecuador	Rafael Correa	Left	Rafael Correa	Right
Guyana	Donald Ramotar	Left	David Granger	Lenín Moreno
Paraguay	Fernando Lugo	Left	Center-Left	Center
Peru	Olanta Humaila	Left	Horacio Cartes	David Granger
Suriname	Dési Bouterse	Left	Center-Right	Center-Left
Uruguay	José Mujica	Left	Pedro Pablo Kuczynski	Mario Abdo Benítez
Venezuela	Hugo Chávez	Left	Tabaré Vázquez	Right
			Nicolás Maduro	Iván Duque
			Left	Left

Figure 7: Table 1 :

3. ed., Cidade do México: ERA, 1977. (Série popular).

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RuyMauro. A cri do se

Alexander. "Editorial". Ec onom

e Serviço Sociad:

Figure 8:

¹These bodies of the United Nations System were not created simultaneously, however, in order not to prolong the text further, we are interested in knowing only that these are the bodies responsible for spreading the ideology of development, in accordance with the standards of capitalist development.⁴ The gold standard or dollar-gold standard is a fixed exchange rate regime based on the relationship between currency and price (inflation and deflation).

²Our emphasis

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⁴As noted above, this happens when the left gives up the revolutionary agenda and undertakes the institutional struggle as a means, because, in the limit, this means becomes an end.^{© 2020 Global Journals}

⁵In this direction, it is interesting to consult the documentary American Factory, by Steven Bognar and Julia Reichert. USA, 2019.

⁶External debt stocks (in% of GNI). Total external debt shares for gross national income. The total external debt is to non-residents repayable in foreign currency, goods or services. Total external debt is the sum of public debt, with public guarantee, private long-term unsecured debt, the use of IMF credit and short-term debt. Short-term debt includes all debt, with an original term of one year or less and default interest on long-term debt. GNI (formerly GDP) is the sum of the value added by all resident producers plus product taxes (less subsidies) not included in the valuation of production, in addition to net income from primary income (employee remuneration and property income) from abroad . 12 Total debt service is contrasted with the country's ability to obtain foreign exchange through the export of goods, services, income and remittances from workers. Total debt service is the sum of principal repayments and interest actually paid in foreign currency, long-term debt goods or services, interest paid on short-term debt and repayments (repurchases and charges) to the IMF.

⁷(E)

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435 [Source: World Bank -Last (2012)] , *Source: World Bank -Last October 31. 2012. p. 12.*

436 [Graph 4: Debt service (principal + interest payments) -Brics ()] *Graph 4: Debt service (principal + interest*

437 *payments) -Brics, 1995 to 2010. (in billions of dollars)*

438 [Prepared by the author. In PAULA, Renato Francis co dos Santos. Capitalist State and Social Work: the new development under
439 *Prepared by the author. In PAULA, Renato Francis co dos Santos. Capitalist State and Social Work: the*

440 *new development under question, 2016. Campinas / Papel Social. p. 267.*

441 [Prepared by the author. In PAULA, Renato Francis co dos Santos. Capitalist State and Social Work: the new development under
442 *Prepared by the author. In PAULA, Renato Francis co dos Santos. Capitalist State and Social Work:*

443 *the new development under question'. Brasil Rússia Índia China África do Sul Source: World Bank -Last*

444 *October 31. 2012 11. 1980 to 2010. Campinas / Papel Social. p. 267. (Graph 3: Stocks of external debt*

445 *(in% of GNI) -Latin America and the Caribbean, and Brazil)*