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More than four decades after Peronism's triumphant invasion of the Argentine political scene, the country is still ruled by the movement born on that occasion, which – notwithstanding several dramatic reversals of fortune – still retains a solid and apparently durable hold on the Argentine electorate.

That revolution in itself offers part of the explanation for such durable success: as is the case with the reforms introduced in Uruguay earlier in the century under batllismo, the model of society it strove to build never lost its attraction for the Argentine masses. However, while the nostalgic memory of the Peronist golden age is as much alive in Argentina as that of the times when Uruguay was a model country on the opposite shore of the River Plate, that memory does not offer the inspiration for the present that the batllista activist state still provides in Uruguay. On the contrary, Peronism managed to retain the power it reconquered in 1989, six years after its first nationwide defeat at the hands of its main rival, the Unión Cívica Radical (UCR), by leading a ruthless final offensive against what was left of the social legacy of the Peronist revolution, already fatally weakened by the hyperinflation of 1989 that brought the Radical interregnum to its ignominious close.

The Peronist movement subsequently consolidated its hold on power by being as much the liquidator as the heir of the Peronist revolution. This success owes something to President Menem's talents for obfuscation, which allows him to sit comfortably on both sides of many issues, but is only possible because that legacy itself is more ambiguous than memory suggests.

Put in its simplest terms, the dominant image of the Peronist revolution has as its defining feature the invasion of the political stage by the popular classes, with organised labour at their core. While this image is far from inaccurate, it unavoidably offers an excessively simplified version of both that revolution and its legacy.

Let us first take a more detailed look at the revolution itself. It not only opened up for organised labour – until then a barely tolerated presence on the margins of Argentine public life – a shortcut to its very centre. No less importantly, it offered the military elite, that had dominated national politics since 1930, the only alternative to a return to power of the political forces it had forcibly marginalised for

one and a half decades. The advantages such an alliance offered to both sides were too important for them not to overcome a legacy of mutual distrust, but that legacy was never cancelled. One of the consequences was the consolidation of Perón's dominant position in the new regime: for the military his being 'one of them' offered the best guarantee that the social transformation he had unleashed would go no farther than they were ready to tolerate; as for organised labour, it was only too aware that it needed Perón's continuous support to retain a position in national life that its political partners in the armed forces had accepted only reluctantly.

To these partners, the Peronist revolution offered a way of eclipsing their role as passive, yet decisive, supporters of the regime of fake democracy forged by General Agustín P. Justo with the support of the right and centre parties. The same regime had co-operated with the army in the ouster of President Hipólito Yrigoyen, the organiser and leader of the majority party, the Radical Civic Union, that in 1930 had closed 68 years of uninterrupted constitutional rule. This was not, however, the only memory that the army would have liked to erase. The leader of the 1930 coup, General Jose Félix Uriburu, had failed in a half-hearted attempt to establish an authoritarian regime and eliminate the universal franchise. In 1943, the obvious failure of the pseudo-democratic experiment launched by his rival Justo encouraged the army to experiment, more determinedly but not more successfully, with the authoritarian alternative preferred by Uriburu. In 1945, the crushing defeat of the fascist powers inspired a less tolerant reaction to that new failure, leaving the by then dominant authoritarian military current in a desperate enough position for it to enter an alliance with a partner it found distasteful, and entrust its future to a comrade whose loyalty it had learned from sad experience it could not take for granted.

While it was the danger of being crushed under the ruins of two failed political experiments for which public opinion held them responsible that led the armed forces to lend their decisive support to the Peronist revolution, these experiments had left a more complex and ambiguous legacy than an indignant public was ready to recognise: the Peronist revolution did not result in a clean break with them, but was to a considerable extent built on that unacknowledged legacy.

One obvious link with the past was the continuing role of the military as a necessary source of support for the new regime. Its political presence was now more conspicuous than in the pseudo-constitutional era inaugurated in 1932. While the parties and political fractions that had supported the government of General Justo had provided practically all the political personnel for the federal and provincial administrations, the more limited support the Peronist government found in the political class encouraged it to fill many governorships and quite a few legislative seats with retired officers who had been close to Perón while in active service. In the view of Perón's first war minister, General Humberto Sosa Molina, the increased presence of former army men in the first ranks of the new administration was not to

be seen as a sign that the army as an institution had become an active partner in the Peronist regime. Notwithstanding Sosa Molina's roots in the authoritarian, antidemocratic current that venerated the memory of Uriburu, he took as his model the first minister of war under Justo, General Manuel Rodríguez, who had successfully restricted the role of the army to the one prescribed in the Constitution; in Sosa Molina's view, the loyalty the army owed to Perón went to a legitimate president, and not to the leader of a revolutionary movement. Thus, a paradoxical feature of the era of fake electoral democracy was resurrected under Perón: the army was, once again, only a silent partner in a regime it had decisively contributed towards putting in place.

The corollaries were, however, different from the Justo years, when, albeit with their legitimacy contaminated at the source by electoral fraud, the institutions of the republic had functioned with remarkable normalcy, and the basic political freedoms had suffered only limited encroachments. Now the situation was exactly the opposite: political freedoms were progressively restricted, and power concentrated as never before in the hands of a president who was also the leader of a revolution in progress. However, the army found a powerful alibi for its support of the unrelenting liquidation of the liberal republic in the increasing electoral success of the new regime. That support was thus conditional on the survival of multi-party elections in which votes were honestly counted. This might appear an insignificant restriction for a regime that since 1948 consistently retained the allegiance of at least 60 per cent of the voters. In fact, it had more serious consequences than might appear at first glance: in his policy decisions this quasi-dictator had to pay even more attention to their electoral impact than many leaders of fully democratic governments.

While the legacy the army retained from its past included a commitment to the perpetuation of the universal franchise, it did also include a much more reticent attitude towards the ideological underpinnings of that system. It was not only that since 1930 the authoritarian currents that contemptuously rejected it had found an increasing audience in the army ranks. Even before then, the army had shared with the rest of the ruling elites the deeply ambiguous view of representative democracy best articulated by Sarmiento in the aftermath of the 1848 revolutions. Convinced that these revolutions had opened the way for the final triumph of the principle of popular sovereignty, Sarmiento had concluded that the task was now 'to educate the sovereign'. After playing the role of regents and tutors of an infant monarch for the first half-century of the constitutional era, in 1912 the leaders of the oligarchic republic - hoping that the educational process had been successfully completed decided to emancipate their pupil. Disappointed by the consequences of that decision, from 1930 onwards the elites of the old republic (the military among them) oscillated between the notion that the principle of popular sovereignty was intrinsically wrong and the more modest conclusion that the sovereign still had much to learn (a point made frequently and at length in President Justo's public speeches).

The armed forces appeared increasingly ready to conclude that, since the old political elite was no more fit to govern than the beneficiaries of the universal franchise, they were the only elite that could still play the necessary role of ruler and teacher of the Argentine masses.

This conviction was frequently expressed in a language that echoed the antidemocratic authoritarian ideologies in vogue in the 1930s. However, under these new influences, the practices matured in the previous history of the army (and the assumptions implicit in these practices) still weighed heavily on it. These assumptions, embedded in the political and ideological traditions developed in the first half century of the constitutional era, were shared by the army along with the rest of the techno-bureaucracy created under its wing, and having, since 1932, fully recovered the influence they had partially lost during the short democratic experiment initiated in 1912.

Two of these assumptions were particularly relevant to the situation created by the military takeover of 1943. First, in the relations between the state and society the former was seen as the active element, whose task had been to give shape to the latter according to the blueprint drawn up by the founding fathers of modern Argentina. This view ran against the basic principles of a democratic political order, according to which, when the new democratic republic introduced reforms inspired by demands coming from society, such as the minimum wage or the eight-hour day, it engaged in a massive bribery of the electorate, which expanded and aggravated the practices of patronage that had been a blemish on the oligarchic order.

It did not, however, follow that these reforms were rejected as intrinsically wrong. Neither the army officers nor the civilian techno-bureaucrats saw themselves as political and administrative agents of the business elites that opposed them for obvious reasons. Their opposition had a very different source: to them, the role of the state was that of a sovereign arbiter between all social interests, and they were ready to recognise that, in fulfilling that role, its first duty was to ensure the maximum possible welfare to as large a section of the population as was feasible.

In their view, the state's role as arbiter was made easier by the abundance of material resources with which Argentina had been blessed, making it possible to satisfy the legitimate demands of capitalists as well as workers. While in the less fortunate countries of the Old World scarcity made the class conflict unavoidable, in Argentina avoiding it required only that the social actors maintain their greed within reasonable limits. This assumption was shared by a much larger consensus than might be expected; in unguarded moments, even socialist leaders could be heard proclaiming that in Argentina the class struggle could be easily avoided, if only business developed a more mature sense of its social responsibilities.

The ideological construct that came closest to integrate these inchoate convictions and assumptions was the social doctrine promulgated by Pope Leo XIII in 1891, which in proclaiming both the arbitral role of the state as dispenser of commutative justice and the moral duty of the propertied classes towards the workers hoped to offer a better alternative to the socialist ideologies that were winning the allegiance of the working classes.

However, while throughout the twentieth century, and more markedly during the interwar years, the Church achieved greater influence in Argentina than at any other time since independence, its success owed very little to the attraction of its social doctrines. The allegiance of the working classes continued to go to organisers of social democratic and anarchist – and later *syndicaliste* and communist – persuasion, and while the entrepreneurial classes increased the signs of their Catholic devotion, they were to remain remarkably deaf to the Church's occasional reminders that they had strict moral and religious duties towards their workers.

The increasing influence of the Church owed more to the weakening of the militant secularism that had won the favour of vast sectors of the Argentine elites in the last decades of the previous century, and even more to the increasing alarm with which these elites reacted to the rise of notionally revolutionary working-class movements. In this new ideological and political climate, the Church was now recognised as a much-needed partner in any political project geared towards restoring social order and discipline. Its presence in the military regime installed in 1943 was much more conspicuous than in that of 1930, and the regime's reintroduction of the teaching of the Catholic religion into the curriculum of primary schools was universally seen as the natural complement to the dissolution of all political parties and the imposition of severe restrictions on the press in what was no less universally recognised as the first stage in the introduction of an authoritarian right-wing regime.

Organised labour, the other major partner in the Peronist revolution, also brought its own baggage of practices and implicit assumptions. While it had never explicitly abandoned the revolutionary ideologies that had accompanied its birth, from early on it had proved ready and eager to be accepted as an integral part of the existing social and political order. Thus *syndicalisme*, which had intended to restore the revolutionary vocation of Marxism by rejecting the party political struggle, offered Argentine labour organisers the justification for severing any organic link with the Socialist Party in order to enter into discreet alliances of mutual interest with the Radical government. After the ouster of the Radicals in 1930, the restored Conservative republic did not offer the opportunity for similar alliances, and the Socialist influence regained much of the ground it had lost in the previous decade. However, this was the case because by then the Socialist Party was a part of the political establishment, and as such could provide some legislative support and some

protection to the unions close to it.

The 1930s also witnessed a vigorous expansion of the Communist influence: a team of exceptionally able and devoted labour leaders successfully organised the building trades (coming from nowhere, in a couple of years the federation they created became second only to the giant of Argentine labour, the Unión Ferroviaria), and the meat-packing plants. But by then the Communists, eager to adapt the worldwide Popular Front tactics to the needs of a party whose prior objective was now to be accepted as a legitimate actor in the political arena, without renouncing their commitment to a revolutionary future, placed much less emphasis on it than had been the case until 1935.

These revolutionary ideologies were not by then an important source of inspiration for the working classes. Their influence, which had probably dissipated among Socialist organisers, was strong among their Communist counterparts, but it is doubtful that they had been as successful in converting their followers to their political faith as they had been in recruiting them for the new unions.

It is more likely that these followers shared with the rest of the labour world a view that combined the recognition of the central role of the class struggle with that of the permanence of capitalism. In this view, the capitalist enterprise, by its very nature, worked on the assumption that labour was a commodity as any other, a notion rejected by most political and social currents and explicitly condemned by international treaties: only the perpetual vigilance of the working class could force it to function according to principles whose validity was by then universally recognised.

Moreover, to the labour leaders (except again for the Communists) the expansion of the unions in the late 1930s suggested that they were entitled to a more central place in public life than the existing political forces (including the notionally working-class parties) were ready to open for them. The creation of a labour party became a subject of open discussion among the still large sections of organised labour that continued to pay lip service to the principles of *syndicalisme*, and was more discreetly pondered by the socialist organisers, many of whom resented their marginalisation by the party's middle-class founders, who still ruled it with an iron hand.

While the partners in the Peronist revolution did not innovate in any important way on the previous ideological landscape, the revolution itself ran against many of the central assumptions of the authoritarian currents that had found a following among the military – assumptions more widely shared by the rest of the political and social elites than it might appear at first glance.

The most important discrepancy came from the central role labour had played within that revolution: while in 1943 the army had intended to launch a revolution from above, one in which the state would once again reshape society according to its own blueprint, the failure of that project had forced it to acquiesce in a very different revolution, in which society itself became a decisive actor. This was not the revolution the army had planned in 1943, but neither was it the one Perón had in mind when he first turned towards labour for support: at the time he assigned the unions the more modest role of minor partners who would save him from depending exclusively on the support of one of the traditional parties, preferably the majority Radicals, with whom he hoped to establish an alliance of mutual interest. It was the failure of this original project that had forced him to assign labour a central place in his regime, as a privileged partner from whose suffocating embrace he was to try in vain to escape for the rest of his public career.

The Peronist revolution innovated in yet another aspect on the assumptions of the political and social actors that joined in its support. Once the revolutionary hopes that marked the birth of the labour movement dissipated, the unions developed a sincere allegiance to the institutions of the liberal-democratic republic (an allegiance still shared without reservations by the labour leaders who played a central role in the triumph of Peronism in 1945-6) that recognised no legitimate place in it for a quasi-dictatorial plebiscitary leader; for their part, the right-wing authoritarian currents that converged into Peronism had always wished to vest political power in an elite rather than an individual.

On this point Perón decisively parted ways with all the ideological legacies of the participants of the Peronist revolution. In his opinion, in any political movement the leader was practically everything; this view of the role of the leader obviously owed much to his experience in the only institution he knew at first hand: the army. His task as leader of the Peronist movement was to impose total subordination on his followers, and for that purpose persuasion was to be preferred to an outright display of authority. On this point he was ready to acknowledge his debt to Mussolini, whom he admired as a master builder of political consensus. However, Perón was to prove a very free disciple of all his political masters: in his later years, after he had replaced Mussolini with De Gaulle as his main source of inspiration, for the first time in his long career he presided over a bloody purge in the ranks of his movement that was even less in the style of his new mentor than in that of his earlier one.

Indeed, with him the army remained a much more important source of inspiration than any model taken from the world of politics. The organisational blueprints he was fond of devising for state and party institutions reflect this influence: neat hierarchical structures serving as conveyor belts that brought the will of the leader to all subordinate levels. However, in his political practices Perón was to prove no more faithful to the hierarchical-authoritarian inspiration he owed to the army than to

the example of his political models: he soon discovered that his position at the helm of the Peronist movement was safer if that movement was left simmering on the brink of chaos. The danger of a catastrophic breakdown was more effective than the workings of a well-oiled authoritarian organisation in persuading his followers to turn to him as to the only one who could impose a semblance of cohesiveness on their unruly ranks.

Such were the main influences on the course of the Peronist revolution: its political objective was the concentration of power in the hands of the leader; its limits were dictated by the need to revalidate its legitimacy through periodical competitive elections that constituted an incongruous but inescapable feature in a regime that displayed an increasingly totalitarian style of governance; its social and economic dimension was shaped by the tense relationship between its leader and the most important source of support it had found in Argentine society. However, only the exceptional prosperity of the early post-war years made it possible for that revolution to fulfil the exalted expectations of its popular clientele while introducing a nationalistic turn in the country's trade and financial policies.

The Peronist revolution owed less to the action of the state than to its own agency: between 1945 and 1947 the number of unionised workers, in a country of fifteen million, tripled from half a million to a million and a half. Even if the workers were aware that the drastic change for the better in the state's attitude towards the unions had been a necessary precondition for such an impressive growth, they were also aware that their own initiative had played an even more decisive role in the dramatic rise in the share of labour in the GNP that was its result.

This rise was facilitated, at least in the short run, by the previously mentioned turn the regime gave to its economic policies. In part it followed the trend of postwar Europe; the nationalisation of the Central Bank came a few months after that of the Bank of England, and in nationalising the deposits in private banks, which in practice meant that in their lending policies these banks were to follow the directives emanating from the Central Bank, the Argentine reformers proved more timid than their French counterparts, who nationalised the four largest private banks. The same lack of originality could be detected in the nationalisation of foreign-owned railways and public utilities (an action imposed in part by the need to dispose of the exchange surpluses accumulated during the war and threatened by the post-war price rises in Britain and the United States).

However, in other respects the Argentines proved ready to go even beyond the trade controls introduced by the warring powers, many of which were to linger in the early post-war years. The boards created during the depression to regulate the production and trade of the main export staples were incorporated into a new state branch that took total control of imports as well as exports, and became the most

important instrument for the Peronist management of the economy.

In selecting these economic policies, the regime worked on assumptions that were widely shared in Argentina and abroad. The second post-war period was expected to run a course similar to the first: economic reconstruction would be slow and uneven, and once completed, the economy would fall into a new period of stagnation. This being the case, the most sensible course of action appeared to be to take advantage of the trade surpluses accumulated during the war and of the expected post-war boom in agro-pastoral exports in order to consolidate an economy as sheltered as possible from an external sector whose long-term prospects appeared more alarming than reassuring.

While this forecast was to be proven totally wrong, by 1945 it was unarguably part of the conventional wisdom. However, the Peronist regime was not to become a totally innocent victim of the faith it lent to it: the economic policies it introduced could only succeed if *all* the previsions included in it were fulfilled to excess; perhaps the reason why it accepted so easily such over-optimistic assumptions was that they offered justification for economic policies that promised to consolidate and expand the support Peronism had already won in the ranks of Argentine society.

When viewed from this angle, these policies made admirable sense. By keeping a high exchange rate for the peso, it maintained low prices for the main export staples – that were at the same time the most important wage goods – as well as for imports, while the tight control of the latter restricted them to fuel and industrial inputs. The advantage thus won by the industrial and popular classes, in the cities of a country that was already predominantly urban, was admittedly achieved at the expense of the agricultural-pastoral interest, and the grain belts of the riverside provinces still held an important concentration of voters. Here, however, the discontent was attenuated by a freeze in rents that benefited the numerically predominant tenant farmers. In the short run, and combined with the continued electoral progress of Peronism in the towns of the grain belt, this proved sufficient to protect the movement's majorities in these areas.

The Peronist revolution did not display much creativity or imagination in reaching the social sectors it intended to favour. Its main instrument was abundant low-interest credit channelled thorough the veteran National Mortgage Bank for urban housing and the more recent Industrial Bank. In consequence, Argentina knew only a mild version of the redevelopment policies that in Europe, both Eastern and Western, promoted desolate rings of high-rise buildings around its largest cities; instead, brick and mortar replaced wood and corrugated metal in the existing lower-class neighbourhoods. The impact of state credit on industry was reflected in expansion without entrepreneurial concentration; between 1935 and 1955 the number of industrial enterprises rose more quickly than that of industrial workers.

For its beneficiaries, the Peronist revolution introduced changes that fully justify the nostalgia with which it is remembered: while dramatically improving the living standards of the wage-earners, it opened up new opportunities to the initiative of ambitious members of the lower middle class and the more prosperous sections of the popular classes. Under the shelter of the Peronist state, the day-to-day experience of the urban majorities was of an unregimented existence and an optimistic mood fuelled by the vigorous upward movement that had already changed so much in their living conditions.

The contrast between an increasingly authoritarian political context and a much more free and unregimented social experience was reflected in the one between a state, with which the new regime had tinkered only to a very limited extent and the organisation of the Peronist movement, with a command structure borrowed from the army: its commander-in-chief appointed and removed all its officers, who served at his pleasure. However, even within the movement this authoritarian ideal had not been completely implemented; the men's and women's organisations in its ranks had been joined by the Confederación General del Trabajo (CGT) – that pre-existed the Peronist revolution – in which the leadership was still formally elected by the member unions, rather than appointed from above. While after 1947 the authorities of the third branch were in fact equally imposed by Perón, this formal asymmetry in the structure of the Peronist movement was a reminder of the central role labour had played in its rise; to Perón it was a no less urgent reminder of the need to weaken that original link, and to limit the influence the unions still retained within the movement.

Once that movement had brought Perón to power in the general elections of February 1946, for him the first order of business was not only to implement a firm control of the social and political forces that supported it, but to enlarge that support, which had granted him an uncomfortably narrow victory. In achieving both objectives he counted on the decisive co-operation of his new wife, the former Eva Duarte, who not only took over the day-to-day supervision of the union leadership, but led in the effort to expand the Peronist base through the creation of the women's branch, making easy strides in the virgin electoral territory annexed by the law that granted the vote to women in 1947 and finding a new recruiting ground for the Peronist movement among the vast popular sectors that escaped the action of the labour organisers: the lower-lower class in the modernised regions of Argentina and the popular majorities in the peripheral areas, which became the main beneficiaries of the efforts of the Foundation that bore her name.

In later years, after it dawned on Perón that he faced the danger of entering history as the husband of Eva Perón, his unenthusiastic tributes to her contribution to the Peronist movement continued to recognise her readiness to devote an immense effort to these vast objectives. He was now less ready to recognise her role in

shaping the Peronist vision. Her contribution to it went far beyond providing it with its central icon, a position she had conquered in life and was to retain with a vengeance after her death in 1952. As the self-appointed high priestess in the cult of her husband's personality, she established standards of fanatic and self-effacing devotion to which all leaders were bound to offer at least lip-service, that made a disagreement with the supreme leader literally unthinkable. Equally important, in tracing the profile of the quintessential Peronist, she offered an alternative to the descamisado (literally the shirtless one, but in fact an awkward translation of the French sans-culotte that Peronism had inherited from the anarchist currents within the labour movement) in los humildes (the humble). In her vocabulary, the expression was as alien to any notion of Christian meekness as in that of Castro's Cuba, where this non-Marxist term is also vastly popular: it referred to all those who had suffered humiliation under the reign of the oligarchy, whose avenger she promised to become. While within the movement's leadership Eva Perón continued to be the chief ally and protector of the union elites on whom she had imposed total docility, the two titles bestowed on her by the controlled media ('Lady of Hope' and 'Standard-bearer for the Humble') were justified in claiming for her a base in Argentine society that went much beyond the world of labour.

Peronism was so successful in expanding its influence beyond that world that by the early 1950s the nationwide Peronist vote held a negative correlation with the share of the workers within the electorate, not because the workers' loyalty to the movement had weakened, but because their share in the electorate of the modern core of Argentina was lower than that of the less differentiated popular voters in the more archaic peripheral areas, where the movement now achieved its most overwhelming victories.

In these areas Peronism, in recruiting and organising its electoral clienteles, did not go much beyond building with much larger state resources patronage networks larger in size but no different in kind from those created in the past by Conservatives and Radicals. This required the services of a vast political personnel, traditionally more interested in the rivalries within its ranks that in the political cause it notionally served. The danger of internal division, which had frequently proven fatal to the traditional parties, was avoided in part by the hierarchical and centralised nature of the Peronist movement, in which success went to those who could offer the most convincing proof of loyalty to the supreme command.

By 1949 the constitutional reform that eliminated the prohibition of immediate re-election for the president began the transformation of the Peronist government into a regime. The new constitutional text kept much of the old one, to which it added an article borrowed from the 1917 Mexican Constitution that imposed a nationalist mining policy, and a few others that echoed the social principles enshrined in most 20th century constitutions. The limitations it introduced on civil

and political freedoms, while certainly less drastic, were as artfully hidden as in the Stalinist Soviet constitution of 1936. Beyond this, Peronism left its seal on the new text through the inclusion of the 'three banners' of the movement (political sovereignty, social justice and economic freedom) in the preamble, and the addition of a decalogue of workers' rights penned by General Perón (which suggestively did not include the right to strike) and another on those of old age due to the First Lady. The proclamation of *justicialismo* as a national doctrine soon followed, with which Peronism appropriated a basic feature of most totalitarian regimes.

While the Peronist experience progressed with deliberate speed towards the authoritarian goals Perón had made his from the start, its economic foundations gave signs of increasing weakness. The post-war export bonanza proved weaker and shorter than expected. After 1918, a generous donation of grain to Austria had responded to the need for disgorging part of the Argentine wheat that Central Europe badly needed but could not afford, and in 1947 the no less generous long-term loans that saved Franco's Spain from certain famine had, in part, a similar rationale. Soon after that, the return to an inconvertible pound, added to the exclusion of Argentina from the list of countries whose exports could be acquired with funds from the Marshall Plan, brought about conditions reminiscent of those the export sector had faced during the 1930s.

By 1949 price increases had accelerated and inflation became a pressing threat. Perón transferred the management of the economy from the 'shock team' (equipo de asalto) appointed in 1946 to a group of professionals headed by Dr Alfredo Gómez Morales, a veteran of Prebisch's Central Bank, who introduced a more cautious approach geared towards saving as much as possible of the advances made by the popular classes while gradually adapting the Argentine economy to the unfavourable new conditions. The main instrument used could not have been a more classical one (devaluation), but the new team chose to make sparing use of it and was careful to alleviate its effects with strong counter-inflationary policies that combined a totally orthodox reduction in public spending with a less orthodox, but temporarily successful, control on the prices of most consumption goods. Skilful use was also made of the few financial assets that could diminish the need to turn to inflationary financing (first among them being the vast surpluses of the social security system, much expanded by the regime, and invested in low-interest government bonds shunned by a public that was learning its first lessons in the consequences of inflation). By 1954 the annual inflation rate, which had earlier risen above 30 per cent, was under four per cent, and - as Dr Antonio Cafiero, a member of Gómez Morales's team, was to boast after the fall of the regime – this was to remain the only stabilisation plan in Argentine experience in which the share of labour in GNP actually increased: the new team had indeed remained as committed to the social objectives of the Peronist revolution as circumstances allowed.

Dr Cafiero neglected to mention that the rise in labour's share of GNP did not reflect any rise in real wages, but a fall less steep than that of the profits for business. By 1955, it was clear that stabilisation had done nothing to alleviate the structural weaknesses in the national economy that had brought about the crisis of 1950-52.

From early on, Perón had been aware that a more drastic change in economic policies was necessary; by then he was convinced that it could not be postponed any longer if his movement and regime were to be saved. He had good reason to feel reasonably confident of success: many among his political enemies would have agreed that his regime had already won new strength through the potentially more dangerous political crisis brought about by the end of the post-war prosperity.

The surge of grass-roots energies which had tripled the number of unionised workers during the prosperity years, with the blessing of the Peronist administration, did not cease with the change in economic conditions From 1948 onwards, a new wave of strikes without any official blessing gathered intensity, reaching its climax in a 1951 railway strike that was denounced as a direct threat to the national economy. The honeymoon between the Peronist administration and the working class was at an end, and friends and foes alike wondered if the regime would be able to survive a more tense relationship with its more solid base of support (which perhaps explains the extreme harshness of the response to labour's unexpected challenge).

The regime survived with less damage than everybody had expected: the honeymoon was over, but it had opened the way for a more humdrum and - as would be abundantly proven in the next decades - unshakeably solid marriage. This modification in the regime's relationship with the working classes demanded a more general redefinition of its place in Argentine society. In the view of Federico Pinedo, the former socialist who had played a central role in the economic reforms of the Justo administration, it created the opportunity for a gradual return to the traditional style of Argentine politics, which had always secured a place for oppositional forces, albeit one much more restricted than in authentic multi-party democracies. To Pinedo, with the rectification of economic policies already underway, the opposition had already won the day on the most important issue that divided it from the regime. It was time for them to recognise, without reservation, the legitimacy of a government repeatedly voted to power by solid majorities; he hoped that the transformation of the rabidly hostile non-Peronist political forces into a loyal opposition would persuade Perón to adjust his political style to the norms of Argentina's admittedly rudimentary republican tradition.

While Pinedo was too tactful to mention it, the death of Eva Perón also favoured the kind of normalisation he had in mind; not only would her incendiary oratory cease to exasperate the marginalised opposition, but with her disappeared the most important ally of the union elites in the inner circle of the regime.

Perón chose to advance in the opposite direction. He saw the loosening of his privileged link to the world of labour as a unique opportunity to restructure Argentina as an 'organised community', in which all social sectors would be represented by corporate organisations that would follow the inspiration of the state and the regime. In the future, the Peronist movement would not accept any social forces as its allies, but merely as its instruments; this shift in attitude was in due course to place it on a collision course with the Church and immediately introduced new tensions in Perón's relations with the army. Sosa Molina was transferred to a decorative position as Minister of National Defence, and General Franklin Lucero, as secretary of the army, took charge of its 'Peronisation'; soon most officers were to resent being forced to increase the expressions of deep devotion to the regime and its leader.

By 1951 a badly organised coup led by General Menéndez – prematurely launched in order to pre-empt a better prepared one – was a total failure, but revealed that for Peronism the army was now contested territory; in 1952 a temporary scarcity of beef created enough unrest for some opposition elements to try to ride the wave of discontent with a terrorist attack that caused several casualties among the public attending a rally in which Perón promised his followers to take personal charge of uprooting corruption in high places. The indiscriminate – and remarkably successful – repression that ensued persuaded the opposition and the social forces that the regime's hold on power was firmer than ever. For the first time, a pro-Peronist business organisation managed to establish roots in trade and industry, and the rural associations – from the Rural Society of the large landowners to the Agrarian Federation of the small cereal farmers – finally offered their explicit obeisance to the regime. And in the 1954 general elections the Peronist vote, once again, was double that of the Radical opposition, whose parliamentary representation had been reduced to a minimum by two successive reforms of the electoral laws.

By then Perón felt strong enough to launch the final metamorphosis of his regime, designed to place it above the classes as a universally accepted (and feared) arbiter among them. In addition, he hoped to consolidate its economic base by giving foreign capital access to an economy that, still sheltered by very high protective barriers, promised attractively high profits. He inaugurated these new policies with a contract with a branch of Standard Oil for the exploitation of the oil fields. Thus, he set out along a road leading towards a totalitarian regime, more dependent on vigilance and repression than on the militant support of any social faction, while – renouncing earlier ambitions to an independent role in the world scene – instead he accepted a necessarily subordinate place in a western world dominated by the United States in the political as well as the economic sphere.

There was little reason to doubt that, once that metamorphosis was complete, the Peronist regime would become as permanent as those of Franco and Salazar.

However, the regime still retained some features that suggested that this final transformation was not progressing as smoothly as might appear at first glance. The new political model assumed that the supreme leader would devote all his time and effort to the day-to-day control of the organisations that were to impose the regime's will on all sections of society. Eva Perón had been endowed with the obsessive drive needed for such a task; her husband, a master of improvisation, was perhaps too lazy, perhaps not obsessed enough to replace her in that necessary role, and was not ready to transfer it to a political agent whose loyalty he could not take for granted. The consequences were clear in the performance of the Partido Peronista Femenino, the leadership of which he took over from his dead wife. In fact, the branch was now leaderless; the damage was not too serious in that its second-rank leaders, former head nurses and principals of elementary schools, felt empowered enough as managers of a much larger organisation than the ones they had left behind, and continued in tolerable harmony to follow the routines established by the founder of their branch.

The unions posed a more serious problem, and Perón tried to solve it by downplaying the role of labour's umbrella organisation, the CGT. The unwanted, but unavoidable, consequence was that the larger unions regained part of the autonomy they had enjoyed in the pre-Peronist past. The shift posed particularly serious dangers because the working classes, while always immune to the attractions of political dissidence, refused to acknowledge that their place in Peronist Argentina had now changed.

Thus, as late as 1954, in a month-long strike the metalworkers successfully resisted Perón's effort to limit their pay rises to the level authorised by his anti-inflationary policies; admittedly by finally yielding to the workers' demands in this matter he was able to engineer the ouster of the leaders who had reluctantly called the strike in response to overwhelming grass-roots pressure. However, this reminder of the penalties incurred by those leaders who did not display the blind loyalty expected from them on all occasions was not totally convincing: the new union leadership was recruited among the militant shop stewards who had led the agitation forcing their predecessors to call the strike. Moreover, even if it had been more convincing, Perón's victory over these reluctant rebels could not hide the fact that – with the metamorphosis of what had been born as a chaotic grass-roots mobilisation into a totalitarian political force – in the matters that really counted, his relationship with the old working-class core of his following appeared strangely unaffected by this radical transformation in the nature of the Peronist movement.

Thus Perón was on shakier ground than he believed when he launched a savage attack against an ally who he knew he could never reduce to total obedience, and the final offensive against clerical influence defiantly launched in November 1954 was to end ten months later with his fall from power. While slow to mobilise, the reaction

of political Catholicism gained in intensity as month followed month, and the same was true for that of the political forces that had been in opposition to the regime since its inception, and faced total marginalisation, or worse, if Perón succeeded in his final gamble. By mid-1955 the enlarged opposition was able to gather force: a failed coup in June was followed in September by a limited insurrection that won the day thanks to the passivity of the bulk of the army and the decisive support of the navy. The reaction of the three branches of the Peronist movement proved equally flaccid, and the Peronist masses, discouraged from any form of mobilisation by their leaders – who remained true to Perón's mot d'ordre for militants in troubled times ('from home to the workplace and back') – were only to engage in heroic but futile acts of resistance after the fall of their leader. Perón himself displayed a similar passivity: when his shrewd message to Lucero, instructing him to open negotiations with the rebels and vaguely alluding to his own readiness for eventual sacrifices, was read by his nominally loyal generals as a letter of resignation, he took refuge in the Paraguayan embassy. Thus started an exile that was to last for eighteen years.

* * *

Even if Perón's departure had been the end of the Peronist revolution, it would have left as its legacy the tension it had never been able to solve between the expectations of durable prosperity it had inspired among the popular classes and the temporary nature of the economic conditions that had allowed it to fulfil these expectations during the short post-war bonanza.

At first glance, the new rulers' readiness to accept that they were now called to solve the dilemma that had undermined the Peronist regime was somewhat surprising. However, on taking power the victors of September 1955 were convinced that – if only the corruption and incompetence of the fallen regime was eliminated – it would prove easy to retain what, borrowing from the vocabulary of that regime, they unselfconsciously continued to call its social achievements (conquistas sociales), while shifting towards the primary export sector the massive resources and credit it needed if it was to recover its old vigour. This illusion was soon dissipated, but the awareness remained that in post-Peronist Argentina the managers of the state's economic policies could not afford to ignore their impact on the welfare of the urban working and popular classes. This was so because not only the military rulers' sincere convictions, but also their shaky control of the purged armed forces committed them to a comparatively quick return to elected governments. And while they were increasingly determined not to allow the Peronist movement to survive as a legitimate actor in the electoral and political arena, they were convinced that in order to destroy its roots in Argentine society, its former supporters had to be granted social and economic conditions that they would find at least tolerable.

By 1957 it became painfully clear to the military rulers that they had not

achieved even this more modest goal. Notwithstanding a massive recourse to electoral manipulation on the part of the those behind the congress called to reorganise the CGT, the hoped-for anti-Peronist majority did not ensue. It was clear that in the former third branch of the Peronist movement, resuscitated on the initiative of the military government, a total victory of the Peronist labour currents was only a matter of time. Soon after that, the results of the general elections for a Constituent Assembly revealed that Perón's mot d'ordre favouring a blank vote had been followed by a quarter of the electorate: Peronism was still very much alive, not only as a social movement but also as a political force.

This reborn Peronism was a different movement in a different country. It owed its survival to the initiatives of second-rank union leaders who, after years of quiescence and notwithstanding the military government's harsh but haphazard repression, recreated a climate of permanent mobilisation in the workplace, and – ignoring Perón's explicit instructions – participated in the elections called by the military government to normalise the unions. Their success persuaded Perón to forgive their indiscipline, and proclaim that once again, as in 1945, organised labour had proven the backbone of the Peronist movement. For the moment it was almost the whole movement, but already the imminent return to an elected government was slowly bringing back onto the scene the leadership of the political branches that, with few individual exceptions, had hastened to desert it at the fall of the regime.

Perón had reluctantly accepted as a painful fact of life the rise of an union movement that had won a place of its own in post-Peronist Argentina by its own effort, and enjoyed a degree of autonomy within the Peronist movement it had never known in the past, but was determined not to allow the political branches to create an independent political base for themselves. This was probably an important reason for the support he lent during the general elections of February 1958 not only to the presidential candidacy of Arturo Frondizi, but to the entire list of candidates representing Frondizi's fraction of the divided Radical Party: by doing so, he deprived the political branches of his movement of the opportunity to win an important share in the representative bodies and the provincial administrations of post-Peronist Argentina.

A new Peronist movement was thus being born in a silent tug of war between the exiled leader and the bosses of the political and the union branches (those of the former women's branch appeared as satisfied as in the past with their subordinate position within the movement, and the branch itself was not resurrected as a separate organisation). The future course of that unacknowledged conflict was to be influenced by the changing social and political landscape of post-Peronist Argentina.

On reaching the Presidency, Frondizi's policies were reminiscent of those that Perón himself had tried to introduce on the eve of his fall. An influx of foreign investment was expected to expand oil production and create a new industrial sector in durable consumer goods that would supply the starved internal market with the cars and lorries it had not been able to import for more than a decade, creating numerous new jobs for qualified workers. The new policies could, however, do very little to alleviate the negative impact of the shift in the balance between agriculture and industry first introduced by Perón in the early fifties, and intensified first by the military, then by Frondizi in the hope of restoring the vitality of the export economy. Due mostly to adverse external conditions, these policies were only to bear fruit after 1963; in the meantime they had a strong negative effect on the living standards of the urban popular classes. Taking advantage of their discontent, in 1959 the resurgent labour movement – motivated in part by Frondizi's refusal to grant it and the rest of the Peronist movement a place among the legitimate political forces – launched a full-scale offensive against the ungrateful president, who reacted with a repression far more intense and systematic than the one recently led by the military, and inflicted a clear defeat.

As Daniel James has convincingly shown, that defeat marked a turning point in the history of Argentine labour; grass-roots mobilisations gave way to the dominance of the bureaucratised leadership of the largest unions, which negotiated the conditions under which they would guarantee social peace with business and the government. In fulfilling this task, they were careful to consolidate its institutional and financial base. To the hospital systems they had begun to build in the Peronist years and dramatically expanded in the aftermath, they now added flourishing tourism empires (before 1955 turismo social had been an almost complete monopoly of the Fundación Eva Perón); in the 1960s Mar del Plata, the former playground of the oligarchy shared since the twenties by the middle classes, was flooded by hundreds of thousands of vacationing workers lodged in the hotels acquired by the unions.

Thus, a notionally semi-illegal organisation (the institutional rebirth of the CGT came much later than expected, and its formal existence was to be interrupted time and again by dissolution decrees) became the most affluent player in the political arena: the unions were now not only the backbone, but also the paymasters of the Peronist movement. This new role held dangers for the future, in that it offered a political justification for financial manipulations that created opportunities for corruption, and indeed the lifestyle of some union bosses (who became collectors of modern art or owned racehorses) suggested that they were already taking advantage of these opportunities. However, much to the disappointment of their critics from the left, the rank-and-file did not appear to begrudge them the right to such indulgences.

¹ See James, D., Resistance and Integration: Peronism and the Argentine Working Class, 1946-76 (Cambridge: Cambridge University Press, 1988).

This was because unionised workers were convinced that the union leadership quite effectively fulfilled its traditional role of protecting their living standards. True, in the two decades of undramatic and intermittent, but not insignificant, economic growth that followed the fall of the Peronist regime in 1955, real wages had remained stagnant: in fact, between 1950 and 1970 the ratio of labour to capital in GNP fell from 110 per cent to 75 per cent. These figures did not, however, reflect a steady process, but the cumulative result of a succession of growth spurts ended by crises in the balance of payments, devaluations accompanied by stringent financial policies and a fall in real wages. To the workers, the movement of their real wages was the composite result of the impersonal impact of the bursts of inflation followed by recession that marked the downward turns of the economy and the wage rises negotiated by the unions once the economic trend changed for the better. Aware that under inflationary conditions they had to run hard to stay in place, and without harbouring too many illusions about the depth of their leaders' commitment to the cause of labour, or even about their personal honesty, the workers were not wrong in concluding that the unions had an irreplaceable role in leading the running.

Moreover, the union leadership not only ensured that in the long run real wages would not fall, it also influenced the distribution of the increases in nominal wages among workers in different branches. Industrial expansion was concentrated in capital-intensive branches (durable consumer goods, led by automobiles, and later steel, aluminium and petrochemicals) dominated by large enterprises, most of them multinationals, that required a limited number of mostly skilled workers. A more archaic industrial sector, marked by technological backwardness and comparatively low productivity, survived alongside them. The potential was there for an increasing wage differential between old and new industry, but the union leadership saw to it that the potential was not realised. Of course, for real wages in the old industry not to lag too much behind those of the new and more dynamic ones, that industry itself needed to be protected against outside competition. The defence of wages for the large majority of industrial workers employed in the older industries had as its necessary complement the defence of those industries themselves. In fact, the union's wage policy had as its implicit precondition the defence of full employment, and soon the increasing loss of competitivity of the old industry brought the objective of full employment onto the political aganda.

Of course, labour coincided in the defence of full employment with other sectoral interests that chose to join the battle for reasons of their own. This was merely an example of the impact the inflationary cycle achieved in encouraging the diverse social and economic sectors to establish alliances. Thus, when inflation threatened to run out of control, industrialists were inclined to join the primary-export interests in supporting a programme of devaluation combined with deflation. However, the ensuing recession did not need to last too long for them to join the unions in asking for an easing of credit that would reactivate demand – temporarily forgetting that

past experience had shown that such easing marked the first stage in the return of inflation. And at times, when governments attempted to contain inflation by combining a highly valued national currency with a tight fiscal and credit policy that perpetuated the recession, the unions were desperate enough to support the primary-export sector's demands for a devaluation, from which they knew they could not expect any immediate advantage, but which, by breaking the impasse, would restart an inflationary cycle in the course of which they could expect to enjoy admittedly brief periods of favourable economic conditions.

Under the circumstances of inflation, labour militancy did not necessarily place it on a collision course with all other social sectors, and thanks to their astute sense of timing and tactical agility, for the first time in Argentine experience the unions were close to being accepted as legitimate institutional and social actors in public life. In fact, by early 1960, when many believed that Argentina would only regain stable institutions if these agreed to serve as agents for what were called *factores de poder*, the corporations and social interests that wielded real power in the country, there was general agreement that these *factores* were four and only four: namely the armed forces, the Church, business and organised labour.

In the past the main obstacle to labour's recognition as a legitimate social and political actor had been the notion that placed it in permanent and irreconcilable conflict with the existing social order. Recent experience had done much to dissipate that concern, but now organised labour found a different obstacle on its way towards full respectability. As the main branch of a political movement whose exiled leader – to whom it proclaimed undying devotion – had been reduced, by the decision of the armed forces, to the condition of a perpetual political pariah, it could not hope to win the full acquiescence of the most powerful of the factores de poder for its integration into the Argentine power elite.

The temptation was great to break the link established in the *journée* of 17 October 1945, between the two partners that on that date created the Peronist movement. The return to a semi-constitutional regime in 1958 had allowed the resurgent Peronist movement to expand once again beyond its original working-class core. More than one peripheral province now had a neo-Peronist administration, but this development did not significantly weaken the overwhelmingly dominant influence labour had won over the movement since its rebirth.

This was so in part because the objectives of the neo-Peronist administrations were close to those of the unions. Without the guidance and control of the over-centralised party structure prior to 1955, the provincial Peronist movements had strong local roots and once in power built fiercely independent and effective organisations under strongly personalistic leaders, who made lavish use of patronage. Under the Peronist banner, a number of provinces in the interior, the

upper littoral and Patagonia experienced a return to the gobiernos de familia of the oligarchic era.

These administrations did not need to reassure the propertied classes about the sincerity of their commitment to the existing social order. Instead, while maintaining the appearance of political opposition, they needed to avoid placing any real obstacles in the path of the federal government. This was so because, by then, the administrations of marginal provinces could not survive without massive injections of funds from the federal budget; understandably the new provincial bosses were no more inclined that those of the unions to antagonise both their paymasters and the military by emphasising their allegiance to the exiled leader.

By 1964 Augusto Vandor, the boss of the metalworkers' union, recognised by then as primus inter pares in the union leadership and close to taking control of the reconstituted Peronist party organisation, finally felt ready to dispute the leadership of the movement with its founder. Perón was forced to gamble his whole future when he submitted the dispute to the verdict of the voters. In several peripheral provinces his candidates were defeated by those of the new local organisations, but neither he nor Vandor considered these results a sufficient indication of the inclinations of the Peronist masses in the country at large. The decisive test came in Mendoza, a province with a long and strong labour tradition and a robust Peronist political organisation; and there Perón was the winner. The outcome persuaded the union movement to offer open support for a military takeover. More than ten years after the ouster of Perón, the formally constitutional regime restored in 1958 had proven unable either to integrate the Peronist forces into a new legality that stubbornly excluded their founder or surmount the challenge their hold on an increasing fraction of the electorate posed to the stability of the regime. The Peronist vote, first channelled towards local neo-Peronist lists and then gathered in nationwide electoral organisations authorised by the exiled leader, accounted for 36 per cent of the electorate in the congressional elections of 1965: Peronism, while not the majority party it had been in power, as the largest electoral force was in a position to make the existing political institutions unworkable if it chose to do so.

Moreover, the armed forces resented the elected government's reluctance to support the fiercely anti-Cuba and pro-USA line they themselves favoured, and were increasingly ready to conclude from it not only that the allegiance of the political class to the existing social order was at best dubious, but that – even if this was not the case – its anachronistic devotion to what survived of the constitutional freedoms posed a serious obstacle to the defence of internal order, threatened by the wave of political radicalism unleashed by the Cuban revolution.

The Argentine revolution of 1966 had been openly discussed for a whole year in the political weeklies and in the daily press, and had been touted as an institutional initiative of the armed forces led by its commanders, which would take charge of administering the state on behalf of the factores de poder. It was to follow a very different course: the armed forces retained a monopoly on power; the Church and business had a limited influence on their decisions; the unions had almost none. From 1967 to mid-1969 the totally unrepresentative new regime carried out a remarkably successful restructuring of the economy. Thanks to the new vigour of the agricultural-export sector, a devaluation and stabilisation plan could be introduced that did not bring about the drastic fall in real wages of most previous ones, and channelled to the government the windfall from devaluation to finance an ambitious plan of public works, while the rise in foreign investment caused by the success of stabilisation brought about a promising new wave of industrial expansion. These successes were viewed with alarm by the political and social organisations that the regime intended to replace with new ones that would count on its blessing. The cordobazo of May 1969, an urban riot of unprecedented dimensions in Argentine experience, suddenly revealed the consequences of the military regime's defiant isolation from society. Unleashed in the aftermath of an orderly protest by a moderate labour union that was violently repressed, it gathered the support of the suppressed university students' organisations and of the more militant unions. When the sympathisers of Peronism and of the Radical Party (that enjoyed vast support in Córdoba) joined the fray, the rioters won control of the city, until the belated arrival of army reinforcements brought the episode to an end.

A new political landscape emerged from the *cordobazo*. By suppressing all political parties, the Argentine revolution had forced a reconciliation between Peronism and its inveterate enemies; by revealing how illusory the hopes labour had invested in the notion of *factores de poder* had been, it had taught the unions that they were as dependent on the survival of the electoral system as the political parties.

Now the military government appeared as an interim regime doomed to be replaced as soon as its enemies agreed on the succession; not even the surprising endurance of economic stabilisation appeared sufficient to save it. The outcome favoured by most included a restoration of political freedoms and social rights under a president supported by all the major political forces (and of course labour) and acceptable to the armed forces. General Aramburu, the head of the military government that had failed in its attempt to uproot the Peronist movement, appeared the most likely candidate to occupy the presidency, with the blessing of Augusto Vandor, who had taken advantage of the upheavals, created first by the success and then by the unexpected breakdown of the Argentine revolution, to reconquer the leadership of the labour movement.

One person was still excluded from this universal reconciliation. Perón was less alarmed by the prospect of an Aramburu presidency than by the influence the union leadership, that had defied his authority within the Peronist movement, was expected

to exert over it. He reacted with grim satisfaction to the news of the assassination of Vandor by anonymous invaders of his union office, and detected in it the first sign of another modification in the collective mood that, by forcing his enemies to accept him as a partner in their plans, would open the way to the restoration of power that had been his ultimate goal since his fall from grace.

When one year later General Aramburu was assassinated, this time by an underground movement that signed its communiqués 'Montoneros', he gave his explicit blessing to the venture, and announced that the Peronist movement was on the threshold of a radical reorientation inspired by the 'marvellous youth' whose heroic revolutionary faith was to bring new life into it. Gradually all the pre-existent Peronist underground movements merged into Montoneros, which made its presence felt with a succession of local *coups de main*, kidnappings and assassinations of conspicuous members of the labour establishment, who were considered the most serious obstacle on the way to the socialist Argentina the youth promised to build under the leadership of Perón and the mobilising inspiration of Evita – who was being posthumously recast as a committed socialist revolutionary.

General Agustín Lanusse, who inherited the difficult task of finding an honourable way out for the Argentine revolution, was to use the increasing underground violence as the main argument in favour of the restoration of representative democracy, still resisted by many officers. Only that restoration, he argued, could endow the government with legitimate authority in the absence of which repression would never totally eliminate the challenge of the underground movements. This argument lent Perón – as the only one who could put an end to that challenge – a political leverage he was not prepared to renounce by a premature demobilisation of what he was now pleased to call his *formaciones especiales*. The exile's new friends in the formerly anti-Peronist parties could not be more understanding; they chose to ignore the invocations of Mao's cultural revolution he reserved for his youthful followers, and to concentrate on a parallel dialogue in which the quotes were borrowed from the founding fathers of Argentina's constitutional era.

The political duel between Lanusse and Perón opposed an intermittently inspired amateur to a well-seasoned professional; it ended with an overwhelming victory for the professional, who had refused until the end to repudiate the violence of the underground.

However, Perón's welcome to the notionally revolutionary underground, and the equally revolutionary youth that sustained it, was not inspired exclusively by short-term tactical considerations. Thanks to Perón's overwhelming political victory, he found himself able to dictate the terms of the institutional reorganisation of the Peronist movement and the names of its candidates on the lists of the coalition it led.

He used the opportunity to raise the youth organisation, totally controlled by Montoneros, to the position of fourth branch of the movement, coequal to the previous three, and in several large provinces, including that of Buenos Aires, his candidates to the governorship sympathised with the emerging party left that had its core in the new branch. These decisions are perhaps better understood when one looks not at who won, but at who lost due to them. In the lists for Congress, the concession of an equal share to the youth was complemented by the recognition of a similar share for the smaller partners in the Peronist coalition, which displayed a generosity unusual in Peronism's deals with the minuscule allies it carried in its tow; the cumulative consequence being that the labour quota fell from 33 per cent to 20 per cent. And in the gubernatorial choices that of a *frondizista* in heavily unionised Santa Fe, added to those of left-wingers for Buenos Aires, Córdoba and Mendoza, denied the labour movement any share in the administration of the larger provinces.

Obviously, Perón had not forgotten that the only real threat to his leadership had come from the leaders of organised labour, and was determined to cut them down to size. He needed, moreover, to keep the threat of a rival force within the movement alive to force them to support economic policies that would fall short of satisfying labour's demands.

Beyond these specific considerations, Perón's opening of the movement's structures to the leftist currents reflected his more permanent concern for the dominant influence labour had imposed on the movement since its creation; already in 1946 this had moved him to grant an unjustifiably large representation in its structures to the dissident Radicals. The problem was that these Radicals had been seasoned professional politicians who fully understood the reasons for their undeserved success, and the conditions under which they could hope to continue reaping its fruits. The underground and the youth were instead convinced that they were the wave of the future; Perón was sincerely committed to support them because his unerring political instinct had once again brought him to bet on the winner.

This faith owed very little to their ideological premises; the leaders of the Montoneros evolved from integralist Catholicism to a revolutionary activism that looked for inspiration in Liberation Theology and the 'revolution in the revolution' proclaimed by Régis Debray;² the eschatological views rooted in the Marxist tradition had no hold on them. Their optimism owed more to the reading they made of their own experience; if Perón and even Lanusse had flirted with them, it was because both rivals had recognised in them the future victors. Perón had assiduously nourished these illusions; he was now ready to crush them with increasing brutality. Lanusse's only success had consisted in forcing Perón to decline the presidential candidacy in the general election of March 1973; the substitute candidate, accused of

² See Debray, R., Revolution in the Revolution? (Harmondsworth: Penguin, 1968).

harbouring unexpected leftist sympathies, was soon forced to resign and in the presidential elections that followed Perón's turn to the right met with the overwhelming approval of the voters: the ticket he shared with his third wife won the support of two-thirds of the electorate.

As long as the civil war continued within the Peronist movement, the union leadership could be trusted to support the modified stabilisation policies introduced by the new administration. However, the significant redistribution favouring wage earners that had opened the plan had been followed by an increasingly rapid erosion of these early gains, and the unions began to show the first symptoms of grass-roots discontent. By June 1974, the problem was serious enough for Perón to call a rally in which he threatened to resign if all resistance to the wage restrictions included in the stabilisation plan did not cease immediately. It was to be his last speech; the cold he had brought to the rally turned into pneumonia and he died on 1 July 1974. If the speech left a message for the future, it was that the dilemma that had accompanied the Peronist movement from its very origin was as urgent and as resistant to solution as it had been the very first day.

Under the stewardship of Perón's widow,³ the Peronist right wing completed the elimination of any residual leftist presence in the movement, making lavish use of assassinations, followed by threats that forced many non-militant sympathisers of the left (now even of the legalistic currents within the non-Peronist left) into exile.

Convinced that they had eliminated the threat once posed by the left, the improvised or third-rank politicians who surrounded the new president decided to tackle the increasing economic instability, reflected in a flourishing black market and accelerating inflation. The remedy was to come from a harsher stabilisation plan than any of the previous ones; the president expected opposition from the unions, and welcomed it as offering her the opportunity to deal with them as decisively as she had done with the left. Her advisers were indeed confident that in a violent confrontation with the unions, the armed forces would actively support presidential authority. They were wrong: the army had just given itself new leaders after rejecting the ones Isabel Perón had tried to impose on it, and these leaders made it known that they declined to repress the labour movement on her behalf.

When Isabel Perón was forced into an embarrassingly public surrender to the union establishment, the unsolved dilemma that had plagued the Peronist movement began to achieve its destructive potential. The botched stabilisation attempt had started with a savage devaluation that reactivated the wage-price spiral of inflation. The president went through the motions of successive stabilisation plans, immediately frustrated by the reaction of union leaders, as aware as she that by

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³ Isabel Perón, who became president after her husband's death.

imposing increasingly frequent wage rises they were only accelerating the pace towards the eventual demise of the government in which they had finally emerged as the first *factor de poder*, but were even so forced to heed the increasing discontent of the rank-and-file. Even after the savage purges of real or notional followers of the Peronist left among grass-roots militants, that discontent found ways of making itself felt; in the rallies in protest at Isabel's first stabilisation, some slogans suggested that, for the first time since 1945, Communist organisers were finding an echo in the working class.

In March 1976 the armed forces took power and announced a Process of National Reorganisation⁴ that had more modest declared objectives than the previous military takeovers; this time they did not promise to build a new country, but to return the old one to normal conditions. All subversive parties and organisations were of course outlawed, but this time the traditional parties (the Communist Party included) were not dissolved. As is well known, this concern to mimic the conditions of a normal life in a normal country was a paradoxical corollary of the decision to continue the effort to uproot subversion and the ideological influences that had inspired it through a massive clandestine cleaning operation, free from all the restraints imposed by law (or for that matter those suggested by common decency).

It was to be an experience without precedent in Argentine history and with few parallels even in the convulsed era of Latin American history in which it took place (perhaps only Guatemala exceeded the Argentine levels of brutality and inhumanity in the repression).

It was difficult to imagine that the legacy of the Peronist revolution could have survived such a brutal experience. In fact, more of it survived than many had expected. After all, Peronism was now recognised as one of the traditional parties, and while its leaders were more frequently placed under detention than their main rivals, their position was very different from that of the unacknowledged captives of the secret prison and extermination system run by the armed forces. The unions' experience was also closer to that of earlier repressive phases than to that of the main targets of the terrorist state. And the new rulers were to prove less uncompromising in their economic policies than in their repressive practices. They made it clear to the very conservative team that they placed in charge of the economy that massive unemployment was out of the question; and while the privatisation of state-owned enterprises was among their explicit economic goals, the many officers who participated in their administration were as hostile to it as the large number of workers who found employment in them. At the inglorious close of the Proceso, the state-owned sector was considerably larger than in 1976, in part because it continued to offer refuge to enterprises that had been unable to survive in the private sector.

⁴ Known universally as the *Proceso*.

Moreover, the opening of the economy to international trade was more energetically proclaimed than practised; in particular the new industries continued to be sheltered by high protective barriers.

The reasons for these policies varied from the obvious self-interest considerations that militated against wholesale privatisation, to the recognition that the economic clout of the new industrial sector made it inadvisable to defy it, and to the odd notion that unemployment made for a more militant working class. However, behind all these there was also an implicit belief in what a good society should be, and in it there was no place for unemployment. This belief had been a part of a common-sense view of Argentine society that dated from pre-Peronist times but had been decisively reinforced by the Peronist experience.

Admittedly, in other respects the economic policies of the *Proceso* were much less concerned with the welfare of the popular majority. Isabel Perón had left a country on the verge of hyperinflation, where real wages had probably already fallen lower than the statistics based on frozen prices suggested. A more drastic fall was to follow in the early months of the *Proceso*, and at least a partial recovery would certainly have followed, had it not been pre-empted by a freeze on wages, followed by readjustments that lagged behind a rate of inflation, that in only year under the *Proceso* fell below 100 per cent. However, while impoverished, society still retained the essential features of the profile it had acquired in the Peronist revolution.

And even that impoverishment had been attenuated by policies that systematically overvalued the internal currency and by the partial opening to imports, which brought about a drastic fall in prices for a whole array of consumer goods, from garments to household appliances and electronics. These imports pushed many light industries to a situation close to collapse; they survived thanks to generous credits from the state banks, granted on the condition that they retained their workers. In turn, these and other economic policies were sustained by a massive recourse to foreign credit, which could be obtained at rates of interest close to those of external inflation. In 1981, when the rising interest rates in the developed world brought these improvident policies to a final crisis, a savage devaluation, complemented the next year by restrictions on non-essential imports introduced during the war of the South Atlantic – but kept in place for years after the end of the emergency – marked a return to a protectionism more extreme than at any moment since 1955.

By then the architects of the *Proceso* could only show for their efforts a national economy in ruins, and the first external war lost by Argentina in its entire history; they were in no position to negotiate with the political and social forces the terms for yet another transition towards an elected government. Of the two national parties, Peronism – which according to common wisdom was the most likely winner in the

future elections – appeared more ready than its Radical rival to shelter the military from the consequences of their own mistakes (and of the crimes against humanity that public opinion pretended to have discovered only during the final crisis of the military regime); after a long period of political recess the union movement was more influential than ever within it.

Since an open negotiation on the terms for the transition was out of the question, the moribund military regime decided to earn the goodwill of organised labour and its party (and consolidate the Peronist hold on the popular vote) by introducing a generous wage policy. On the eve of the general elections of December 1983, real wages had risen to the levels of 1975. Against all expectations, Peronism was to suffer its first defeat in wholly competitive elections; the victor was Dr Raúl Alfonsín, recently elected leader of the Radicals. He owed his success to the efficacy with which he presented himself as the alternative to a 'union-military compact' that, he denounced, had ruled Argentina under the now universally abominated *Proceso* and was ready to continue ruling the country under the restored democracy. For the first time in elections called by an unpopular military regime at the end of its tether, Peronism was cast in the role of its political ally and not of its uncompromising enemy.

However, that was not all; by denouncing the pacto sindical-militar, Alfonsín implicitly promised to close a long period in Argentine history in which these two corporations had been the main political actors. A successful return to democracy was incompatible with the notion that elected regimes could only succeed if they accepted to become instruments of the factores de poder; their right to rule had been bestowed on them by the sovereign people, and it authorised them to impose the law on the arrogant factores. However, while Alfonsín promised to break with the political traditions and practices developed since the Peronist revolution, the final goal of this break was not to eliminate the social changes introduced by that revolution, but, on the contrary, to consolidate them by creating the truly democratic framework that would provide the political stability needed to ensure the permanence of that revolution's social achievements.

And he was passionate in his identification with these achievements: never again – he promised – would the control of real wages be used as an instrument for economic stabilisation. This was even more unacceptable because wages were already artificially low; rather than containing their rise, he intended to have them gradually raised to levels that would return to the working class the modest affluence that in its collective memory had marked the golden post-war years.

The electoral success of Alfonsín rewarded his instinctive accord with the mood of the moment; in a country exhausted by too many terrifying political experiences, he evoked a remote, and partially imaginary, past of order and stability under the

constitution, but reassuringly promised that this return would not demand the rejection of what was positive in the legacy of more recent and troubled times. However, Alfonsín's success also owed something to the fact that the society that clung to the legacy of the Peronist revolution had already been more changed than it knew by the gradual erosion of the social model inherited from that revolution.

Changes were visible everywhere. In the northern and western provinces, the satellite agricultural economies that had provided sugar, wine, cotton, fruits and yerba mate suffered from brutal alternations of prosperity and deep recession. When recovery took place, it frequently rewarded a recourse to technology and rationalisation of production that diminished the demand for labour; the migrations to the larger cities of the modern core of the country could not absorb the vast masses thus deprived of sources of livelihood, and gradually the expanded provincial bureaucracies were called to serve as de facto welfare systems.

Since 1963, the littoral and the pampas had enjoyed a steady expansion of agricultural production. But already in the initial moment of that process the social profile of the grain belts was deeply transformed by the impact of the rent freeze, which had allowed some tenants to buy their land below market prices from landowners who had seen their rents melt away under the impact of inflation, and conversely incited the more affluent landowners to buy back their land from their tenants. Soon the progress of mechanisation added its effects to those of the freeze, creating new arrangements in which large landowners and small farmers alike contracted itinerant contratistas for a whole productive cycle. A more homogeneous rural society was emerging, with a landed class at its core. Socially far more uncompromisingly conservative than in the past, it offered its firm support to the military regimes and during the democratic interludes offered it no less firmly to the Radicals. The changes in the Pampas had one element in common with those in the peripheral provinces: they drastically reduced the demand for labour, and a new wave of rural-urban migration was the consequence. Not only did the belts of shanty towns expand around the larger cities (Buenos Aires developed a second, then a third, and later a fourth cinturón), but now many towns in the plains were also surrounded by mini-shanty towns.

In urban society changes were more subtle: the proportion of wage-earners in the popular classes remained stable around 70 per cent of the economically active population, but the share of industrial workers fell; a more drastic fall in the numbers of factory owners and managers reflected the breakdown of the early Peronist pattern of industrialisation, concentrated on dwarf enterprises. However, not only had the industrial workers ceased to be the largest group within the popular classes; they had also ceased to be the group which all the others recognised as the natural leader of the popular sectors. These changes were reflected in the electoral results of 1983; Alfonsín won in not a few working-class districts that had decisively contributed to

the Peronist victory of 1946. Both the upper-lower class, overwhelmingly Peronist until the eve of the election, and the predominantly anti-Peronist lower-middle class joined the most volatile section of the electorate, while Peronism now had its most solid electoral fortresses among the poorest of the poor, and in most marginal provinces.

True to his promises, President Alfonsín remained carefully aloof from the two factores de poder that in his view had played a secondary role in pushing the country into a pathological political course - the Church and the corporate organisations of business, industry and the landed interest - and attempted as soon as he took power to force the two corporations he held mainly responsible for the country's chronic political crisis to adapt to the norms of the representative democracy that Argentina had decided to become. Much to his disappointment, both refused to mend their ways and headed on a collision course with his administration. He was obliged to launch a reluctant offensive against the armed forces, and while its long-term success now appears evident, it gave him very few victories and – more seriously – in 1987 brought him a defeat that he refused to acknowledge, with catastrophic consequences for the link of mutual confidence he had, until then, managed to retain with a vast popular majority. With labour he was even less successful: the reformed union law he sent to Congress respected the corporate traditions of Peronist unionism (a single union to represent the workers in each branch of industry), but imposed a larger dose of internal democracy than the union bosses were ready to accept and was finally rejected in the Senate by a single vote; from that time onwards the CGT made the Alfonsín administration its main target.

It was to find increasing opportunities for attack. For a year Alfonsín remained true to his programme of gradual rises in real wages; while the unions declared it a sham, it contributed, together with the crushing problems derived from the vast external debt inherited from the *Proceso* and the imbalance in public accounts, to a accelerating inflationary spiral. By 1985 Argentina was once again on the threshold of hyperinflation, and the administration was forced to change route. An imaginative economic team immediately introduced successful anti-inflationary strategies that won the admiration of their colleagues both in Argentina and abroad, and a few months into the implementation of the plan the Radicals were rewarded by the voters with a clear victory in congressional elections. However, it gradually became clear that the much celebrated *Plan Austral* had not uprooted inflation, but merely brought it down from the dangerous heights it had reached to a more routine 30 per cent a year; keeping it at that level required a return to more conventional anti-inflationary tactics, gradually resuscitating the inter-sectoral clashes and alliances typical of a society that had learned to live with chronic inflation.

Once again, the clashes between the administration and the unions became the most dramatic events in this continuously unfolding story of conflicts and truces.

However, the thirteen one-day general strikes the CGT launched against the Alfonsín administration caused less alarm than in the past: obligingly scheduled on Mondays or Fridays, they enriched the calendar of offers for the now fashionable short vacations with a few additional long weekends.

For all their sound and fury, the general strikes were closer to peaceful ritual combats than to conflicts whose outcome held the potential to influence the relationship of forces between the participants in them. This did not mean that they were harmless occasions: they offered a painful reminder of how badly the Alfonsín administration had failed in its ambition to create a new and harmonious relationship with labour. Alfonsín himself was intensely aware of this, and in 1987 he decided to face the new congressional elections having achieved peace – and not just a truce – with labour, by including in his cabinet a union leader who personified all the faults he had denounced in the labour bosses. He lost his gamble: while the Peronist vote this time exceeded 40 per cent, the alliance with labour alienated the right-wing that since 1983 had supported the Radicals. The result was less surprising than Alfonsín's inability to foresee it. This seasoned and astute politician's refusal to acknowledge the erosion already suffered by the social profile inherited from the Peronist revolution appeared even more puzzling considering that that erosion had decisively contributed to his previous electoral triumphs.

We recognise here, once again, the hold that social profile retained on the imagination of those who had lived through the Peronist revolution. In the same way as the military responsible for the *Proceso* – having decided that unemployment was incompatible with the restoration of the kind of order they strove to impose on the country – had been probably less inspired by clearly erroneous understanding of how industrial society actually works than by an implicit notion of what the good society should be, perhaps this time Alfonsín had been also guided by his stubborn identification with the social model introduced in 1945 rather than by the narrowly pragmatic inspiration he hoped to follow.

The erosion Alfonsín refused to acknowledge was already too advanced not to influence the actual course of his administration. Thus, while the chronic conflict with organised labour loomed large in his view of the relationship of his administration with the popular classes, in fact his most ambitious programme directed to these classes was the Plan Alimentario Nacional (PAN) that distributed basic foodstuffs among the old and new poor of the expanding shanty town belts. And even when Alfonsín found himself able to follow his original inspiration in dealing with the corporations representing business, industry and rural interests, he was equally taking advantage of the very changes he refused to perceive, which had deprived them of much of their original clout to the advantage of a narrow group of powerful entrepreneurs simultaneously present in all these fields. These became Alfonsín's principal allies within that fragmented factor de poder, until the failure of

the *Plan Austral* convinced them that it was time to look for other political partners.

And that failure itself offered the final proof that the erosion of the society created by the Peronist revolution had already decisively affected the impact its conflicts had on the country's political developments. The frequent clashes between the administration and organised labour suggested that the demise of the *Plan Austral* repeated the scenario of previous episodes, in which an inflationary wage-price spiral had held central stage. In fact, this was not the case; instead, this time the decisive factor was the increasing imbalance in the budget accounts, that did not allow the government to honour the terms of the successive plans negotiated with international organisations and foreign lenders to deal with the massive external debt.

In turn, such imbalance was not due to the excessive rise of expenditures for the central administration and the state enterprises; on the contrary, labour's main grudge against the Alfonsín administration came from its reluctance to adjust the salaries and wages of the central state's employees to inflation. Instead, the Treasury was haemorrhaging from the transfers to provincial administrations that refused to follow the lead of central government and happily expanded their personnel.

The Alfonsín administration could not do otherwise: it had to struggle on so many fronts – against a hostile labour organisation and an unruly military, among others – that it needed to win at least the benevolent neutrality of the Peronist provincial forces. The consequence was that the president had to accept the role of paymaster for the provincial fortresses of the rival party. The cost was paid by the Radical provincial administrations, which were expected to make life easier for the president by moderating their demands on the Treasury: in the 1987 elections the Peronists won control of several key provinces, from Buenos Aires to Mendoza in the west and Misiones in the north-east and several others in between. From that time onwards the pressure from the provinces became both irresistible and unbearable.

These developments reflected a radical change in the balance of political and social forces, that was equally to influence the new profile under which Peronism was to ride to victory in the presidential election of 1989. In 1987 it had achieved a more narrow victory under the leadership of an internal current (renovación peronista) committed to the principles of internal democracy, and outspoken in its hostility to the traditional influence of the bosses of organised labour. Encouraged by their success, the renovadores raised the presidential candidacy of the veteran Antonio Cafiero, in the past a faithful political agent of Lorenzo Miguel, who had inherited from Vandor the leadership of the metalworkers' union, still dominant in the labour movement, but who had enthusiastically converted to the principles of renovación peronista. Cafiero contemptuously rejected Miguel's offers of support;

he was as aware as everybody else that the union establishment was now overwhelmingly unpopular, and this extended even to the workers it notionally represented (it was accused, perhaps unfairly, of not putting enough zeal into the defence of the interests of the rank-and-file, and less unfairly of concentrating its efforts in the defence of the legal privileges of the deteriorating public health and leisure empires controlled by the unions, from which it was suspected, not without reason, of deriving significant personal profits), and was convinced that any intimacy with the despised labour bosses might put in jeopardy a victory that appeared at hand. Miguel was forced to move labour's support to a rival candidate, Carlos Saúl Menem, whom he knew he could not trust, and probably it was that support that allowed Menem to achieve a narrow victory in the first direct elections to choose a presidential candidate in the entire history of the Peronist movement.

But Menem had not won as labour's candidate. He was the most astute of the provincial bosses who were building unbeatable electoral machines in marginal provinces. During Alfonsín's prolonged honeymoon with the country, he played the role of the president's man in the Peronist movement with such panache that he won a popularity second only to that of the president. With exquisite sense of timing, he gradually distanced himself from the Federal administration, but he was careful to retain a privileged link with the federal Treasury, to the point that in 1989 more than half the active economic population of La Rioja⁵ was on the provincial payroll. To the support of most provincial bosses in the country's periphery he added that of the most loyal followers Peronism retained in the modern core of Argentina by working the shanty towns with frenzied intensity. His message, if imprecise, was reassuring: 'Follow me, I won't disappoint you', and he proclaimed it in rallies that mimicked those of the charismatic evangelical preachers who were making converts by the hundreds of thousands in the same neighbourhoods.

His candidacy was met with intense alarm by the whole political class, and invited the worst forecasts about the economic future of a country that could not afford the return to the policies that Menem's appeal to the most folkloric aspects of the Peronist tradition suggested as probable. Actually his victory in the presidential primaries accelerated the economic breakdown that brought the Alfonsín administration to a disastrous close; when the election was held in 1989, the country was in the throes of hyperinflation. Even then, Menem inspired as much fear as hope, and his victory was surprisingly narrow, considering that his rival raised the banner of the party under whose administration the country was suffering at that very moment the worst economic adversity in its entire history.

The catastrophe of hyperinflation was universally read as the final verdict on the Peronist revolution. As it appeared now, in its desperate effort to save its legacy, the

⁵ La Rioja is President Menem's home state and where he was elected governor.

country had faced increasingly violent economic storms, until the last one had threatened to destroy the basic links that hold a society together. Whether this was the case, or rather this final crisis occurred when much in that legacy had already been dissipated, unarguably the society that emerged from it not only was not the one shaped by the Peronist revolution, but – perhaps more importantly – it was now aware of it.

President Menem was now free to build a new political base for the Peronist movement he led. Taking advantage of the horrified collective memory of hyperinflation, he refashioned it as an alliance of the top and the bottom of society in support of a savage programme of stabilisation and privatisation, supported even by the passive consensus of the middle sections of society that declined to join the new electoral majority.

Thus has the Peronist movement managed to survive the society reshaped by the Peronist revolution. But this remarkable achievement owes something – perhaps a great deal – to the fact that from its very origin that movement found support beyond the social sectors that benefited from the Peronist revolution, and that such support was to expand in the course of the movement's troubled history, at the same time as these benefited sectors gradually lost much of their original political and social clout.

How durable will President Menem's political achievement be? The elections in October 1997 suggest that its future is less assured than it might have appeared until recently. But the political reorientation adumbrated in the recent electoral results does not suggest any return to past alignments. Rather, what emerges from it is a new electoral cleavage that evokes – to use an anachronistic but totally pertinent vocabulary – the old opposition between the classes and the masses. This is not the only development that suggests that, for the countries in what we used to call the periphery, the post-industrial age appears to have much in common with pre-industrial times.