

Latin America

THE BIG PICTURE

Latin America has experienced many political and economic shifts since 1945. Revolutions and repressive governments have coincided with shifts toward government-controlled economies or more open market economies. In recent years, Latin America has made great strides toward democracy but still faces many economic and political challenges.



North Carolina Standards

Social Studies Objectives

6.04 Relate the dynamics of state economies to the well being of their members and to changes in the role of government;

6.05 Analyze issues such as ecological/environmental concerns, political instability, and nationalism as challenges to which societies must respond.

Language Arts Objective

3.03.1 Support informed opinion by providing relevant and convincing reasons.



TIME LINE

CHAPTER EVENTS

1959

The Cuban Revolution brings Fidel Castro to power.

1973

Augusto Pinochet takes power in Chile in a military coup.

Argentina's "dirty war" 1976–1983

1945

1965

WORLD EVENTS

1949 The Chinese Communist Party takes full control of China.

1967 The Six-Day War takes place between Israel and Arab nations.

1980

Zimbabwe wins independence from Great Britain.



History's Impact video program

Watch the video to understand the impact of NAFTA.



Reading like a Historian

Thousands of supporters attend a political rally for a presidential candidate in Uruguay. Rallies like this one are common in Latin America, as people express their support for or opposition to their government.

Analyzing Visuals What does this scene tell you about politics in modern Latin America?

See **Skills Handbook**, p. H26

1985

1992 Mexico, the United States, and Canada sign the North American Free Trade Agreement (NAFTA).

2006

In reaction to failed economic reforms, Bolivians elect a leftist president.

1985

1992 A treaty to establish the European Union is signed.

2005

2001 Terrorists attack the World Trade Center and the Pentagon in the United States.

GEOGRAPHY Starting Points



Interactive

TURMOIL IN LATIN AMERICA, 1945–PRESENT



Starting Points In the years since 1945 many countries in Latin America have struggled with political and economic turmoil. Civil wars, revolutions, and struggles with democracy have plagued the region.

- Analyze** Based on the map, what general problems has Latin America faced since 1945?
- Predict** How might Latin America’s history of turmoil since 1945 be affecting the region today?



Listen to History

Go online to listen to an explanation of the starting points for this chapter.

go.hrw.com

Keyword: SHL LAT

SECTION

1

Revolution and Intervention

BEFORE YOU READ

MAIN IDEA

In reaction to economic and social conditions in Latin America after World War II, many Central American countries experienced conflicts that involved intervention by the United States.

READING FOCUS

1. What were some key economic and social trends in postwar Latin America?
2. How did the Cuban Revolution come about and what changes did it bring?
3. What other conflicts arose in Central America?

KEY TERMS AND PEOPLE

import-substitution led industrialization
Liberation Theology
Fidel Castro
Che Guevara
Sandinistas
junta
Contras

TAKING NOTES

Take notes on trends in Latin America and on the conflicts in this section.

Trends	Conflicts



LAND FOR THE LANDLESS

◀ **Members of Brazil's Landless Workers' Movement march to the capital.**

THE INSIDE STORY

Who has a right to a country's land?

In Brazil, less than 3 percent of the population owns about two-thirds of the country's farmland. As a result, more than 1.5 million landless workers have joined together to try to get land for Brazil's poor citizens.

Brazil's huge Landless Workers' Movement, known as the MST for its initials in Portuguese, was founded in 1984. The MST organizes groups of landless farmers to invade and build camps on large, unused private lands. One MST leader explained the reasons for these land invasions: "You have a right to land. There are unused properties in the region.

There is only one way to force the government to expropriate [take] them. You think they'll do it if we write them a letter? Asking the mayor is a waste of time, especially if he's a landowner. You could talk to the priest, but if he's not interested, what's the point? We have to organize and take over that land ourselves."

Over the years, the MST has gained legal rights to much land. About 350,000 families have acquired land through land invasions and takeovers. However, these invasions naturally anger Brazil's large landowners. As a result, the MST is regularly in conflict with the police and other government officials. ■

Trends in Latin America

Latin America includes the countries south of the United States, from Mexico and the Caribbean to South America. After World War II, many countries in the region struggled to address problems of poverty and inequality. The roots of these problems go back to Latin America's long history of colonialism. Under colonialism, most land and wealth were concentrated in the hands of the elite, and economies were based mainly on agricultural exports.

Economic Trends One main economic trend in Latin America was industrialization. Economies in the region had long been based on the export of cash crops and raw materials and the import of manufactured goods. To decrease dependence on foreign countries, many countries adopted a policy of **import-substitution led industrialization**. Under this policy, local industries are developed to replace the need to import manufactured goods. However, even as industry grew, Latin America still depended on foreign countries for investment, technology, loans, and military aid.

As Latin America's countries industrialized, rural land use remained a major issue. A small group of elites, many tied to U.S. business interests, owned much of the land in Latin America,

while many peasants struggled to find land to farm. Some countries tried to address this issue by taking land from large landholders and giving it to landless peasants. Although this policy had mixed results, it became another major economic trend in the region.

Social Trends The large gap between rich and poor in Latin America was also a major social issue. Some groups, including the church, tried to address this issue. Many priests began to promote **Liberation Theology**, the belief that the church should be active in the struggle for economic and social equality. Although it was criticized by the Catholic Church, the Liberation Theology movement became popular in heavily Catholic Latin America.

While some people looked to the church for help with their problems, others looked to the cities. Unable to make a living in rural areas, people flocked to the region's cities. This movement caused rapid urbanization. But many people found that life was no easier in the cities. Shortages of food, housing, and safe drinking water continued to present challenges for many in Latin America.

READING CHECK

Summarize How did people in Latin America try to deal with some of the region's economic and social problems?

Urbanization in Latin America

Huge, rapidly growing cities are a common feature in Latin America. In many cities, such as Fortaleza, Brazil, upscale apartment buildings and offices are concentrated downtown and are surrounded by massive slums on the city's outskirts. **How might the gap between rich and poor people affect life in the cities?**



The Cuban Revolution

In Cuba, social and economic trends led to a revolution. There, social inequality and heavy U.S. influence led to a revolt that brought communism to this large Caribbean island.

Reasons for Revolt Like much of Latin America, Cuba was very dependent on the United States. By the 1950s Cuba's modern hotels and gambling casinos were owned by wealthy Americans and Cuba's elite. U.S. businesses also owned huge sugar and tobacco plantations. These plantations produced valuable exports, but little land was left for average people to grow food. Cuba was one of the richest, most developed countries in Latin America. Yet most Cubans struggled to get by and earn a decent living.

Business interests encouraged the U.S. government to support a string of corrupt dictators in Cuba. The last of these dictators was Fulgencio Batista, an anticommunist who seized power in a 1952 military coup. Batista's Cuba was "a rich country with too many poor people," critics charged. Batista's coup stirred a wave of discontent and nationalism among the poor.

In 1953 a young lawyer named **Fidel Castro** led an unsuccessful attack on a Cuban army barracks. Castro was arrested and imprisoned. But two years later, he returned with a group of revolutionaries and launched a guerrilla war that became a full-scale revolution. When Batista fled the country on January 1, 1959, Cuba was left in the control of Castro, a brash leader who would outlast at least 10 U.S. presidents and the rest of the Cold War.

Goals of the Revolution Although there was broad public support for the revolution to remove Batista, most people did not know exactly what kind of revolution Castro would lead. Many middle-class Cubans supported moderate democratic reforms. But many of Castro's revolutionaries, including his brother Raul and the fiery leader **Che Guevara**, wanted to set up a Marxist regime. Castro was mainly focused on ending U.S. dominance, redistributing wealth, and reforming society.

To achieve these goals, Castro threw his energies into restructuring Cuba's economy, society, government, and foreign policy. In 1961 he launched a program that virtually ended

PRIMARY SOURCES

Fidel Castro Speech

In the early years of the Cuban Revolution, Fidel Castro felt he needed to defend the policies of Cuba's new government. He did so in this speech to the UN General Assembly on September 26, 1960.

"Then followed the next law, an essential and inevitable law for our country, and a law which sooner or later will have to be adopted by all countries of the world, at least by those which have not yet adopted it: the Agrarian Reform Law. Of course, in theory everybody agrees with the Agrarian Reform Law. Nobody will deny the need for it unless he is a fool. No one can deny that agrarian reform is one of the essential conditions for the economic development of the country . . . In my country it was absolutely necessary: more than 200,000 peasant families lived in the countryside without land on which to grow essential food crops.

". . . Was it a radical agrarian reform? We think not. It was a reform adjusted to the needs of our development, and in keeping with our own possibilities of agricultural development. In other words, [it] was an agrarian reform which was to solve the problems of the landless peasants, the problem of supplying basic foodstuffs, the problem of rural unemployment, and which was to end, once and for all, the ghastly poverty which existed in the countryside of our native land."

Skills FOCUS

READING LIKE A HISTORIAN

- 1. Explain** Why did Castro think it was necessary to pass the Agrarian Reform Law?
- 2. Analyze Primary Sources** Against what criticisms do you think Castro felt he needed to defend his policies?

See **Skills Handbook**, p. H25

illiteracy within one year. He also created a system of free, nationwide medical care that helped raise life expectancy to near-U.S. levels. To reduce economic inequality, Castro limited the size of landholdings and nationalized all private property and businesses in Cuba.

To ensure that he had the power to make such radical changes, Castro took full control over the government. Then he took away freedom of the press. These radical actions led Cuba more and more toward communism and a confrontation with the United States, which saw communism anywhere in the Americas as a threat to U.S. security.

Communism in Cuba

The Cuban Revolution affected many aspects of life in Cuba. Today the government controls the press, the economy, and social services. But Castro's communist policies have had mixed effects on the island and its people.

A Stalled Economy

A U.S. embargo on trade with Cuba has been in place since the 1960s. As a result, most American cars in Cuba date from the 1950s, and many old buildings are in disrepair.



Lack of Political Freedoms While many Cubans support Castro and his policies, those who oppose the government are not free to express their opinions openly.



Scarcity of Food and Goods The Cuban government regulates the distribution of food and other goods, and scarcity is a major problem.



Free Education and Health Care Everyone in Cuba, such as these children, has access to free education and health care through government-run schools and clinics.



**Skills
FOCUS**

INTERPRETING VISUALS

Infer What can you say about life in Cuba based on these photographs?

U.S. Involvement Cuba's move toward communism during the Cold War troubled U.S. leaders. They viewed Latin America as part of a U.S. sphere of influence and wanted to keep communism out of the region. Shortly after World War II, the United States helped set up the Organization of American States (OAS), an organization of countries in the Americas that promotes economic and military cooperation. The OAS was strongly anticommunist.

Repeated U.S. attempts to oust Cuba's communist leaders failed. In 1961 a U.S.-trained invasion force of Cuban exiles landed in the Bay of Pigs, along Cuba's southern coast. Their mission was designed to spark a nationwide uprising against Castro. But it was a disaster. Cuban troops easily defeated the invaders.

Still stinging from this defeat, U.S. president John F. Kennedy soon found himself in a far more serious crisis with Cuba and the Soviet Union. In 1962 the CIA learned that the Soviet Union was building nuclear missile sites in Cuba. Missiles from these sites would be able to easily hit targets in America. Kennedy ordered a naval blockade to intercept Soviet ships loaded with missiles for Cuba. This tense confrontation, known as the Cuban missile crisis, brought the world as close to nuclear war as it had ever been. In the end, however, a compromise was reached, and the Soviet Union removed the missile sites.

Results of the Revolution In the years since these Cold War conflicts, the Cuban Revolution has had mixed results. For example, Cubans have good access to health care and education. However, people's civil liberties are restricted under a one-party system. The government jails opponents and watches citizens through a network of neighborhood spies.

Economic effects have also been mixed. Castro's policies led many Cubans to leave the country. Most went to the United States, and Cuba's economy struggled as a result. Castro relied on the Soviet Union for economic support. But when the Soviet Union collapsed in 1991, Cuba's economy suffered. Cuba has also suffered for decades because of a U.S. economic embargo.

READING CHECK Identify Cause and Effect

What were some of the causes and effects of the Cuban Revolution?

Other Conflicts

As in Cuba, economic inequality was a serious problem in other Central American countries. Yet economic conditions were not the only cause of conflicts. Political corruption and repression affected many places as well. In addition, U.S. support for anticommunist but corrupt governments stirred nationalist passions in Guatemala, El Salvador, and Nicaragua.

Guatemala In 1952 Guatemala's president, Jacobo Arbenz, used land reform to take over large landholdings and distribute the land to peasants. This policy hurt the United Fruit Company, an American company that owned huge amounts of mostly uncultivated land in Guatemala.

Pressure from the United Fruit Company, along with concerns that Arbenz was a leftist, or radical, persuaded the U.S. government that Guatemala's president must be removed from power. The CIA intervened in a coup that toppled Arbenz in 1954 and replaced him with a military dictator. The coup was the start of nearly a half century of repressive dictatorships in Guatemala.

The harshness of the government and the end of social reforms upset many peasants. Some joined rural guerrilla forces, and civil war raged from the 1970s to the 1990s between the guerrillas and government troops. Finally, in 1996, a peace accord brought an end to the fighting.

El Salvador Civil war also struck El Salvador, where military dictatorships kept power through unfair elections and repression. In 1980 government assassins gunned down Archbishop Oscar Romero, an outspoken government critic, as he was leading mass. Romero was one of many priests in Latin America who supported Liberation Theology.

Romero's murder sparked a bloody civil war between Communist-supported guerrilla groups and the army. Peasant villagers were often caught in the middle as government-sponsored "death squads" roamed the countryside killing civilians suspected of aiding the opposition. The Reagan administration supported the Salvadoran government and the army by providing money and military aid. Violence continued into the 1990s.

READING SKILLS

Understanding Causes and Effects What caused conflicts in Central America?

ACADEMIC VOCABULARY

intervene to enter into an event to affect its outcome

Civil War

In 1979 leftist guerrillas in El Salvador launched a civil war against the country's military government. Here, a guerrilla fighter guards a roadblock in the country's rural interior, where much of the fighting took place.



Nicaragua Nicaragua also struggled with instability. Nicaragua had been ruled for four decades by members of the Somoza family. This wealthy family controlled about a quarter of the country's farmland. The Somozas' anti-communist views kept them in favor with the United States, but their corruption and violent repressive tactics alarmed many Nicaraguans. An anti-Somoza movement gained strength. In 1979 Somoza was forced to flee after a revolutionary group known as the **Sandinistas** took over the capital.

The Sandinistas ruled as a **junta** (HOON-tuh), a group of leaders who rule jointly. To deal with the country's many problems, they launched a program of economic and social reform. They set up some state-owned collective farms but also allowed private ownership of land. The Sandinistas also passed laws to protect workers' rights and began a Castro-style campaign to increase literacy. Unlike Castro, however, they allowed political opposition, both in the media and in elections.

Eventually, several factors pushed the Sandinistas to become more radical. The Reagan administration cut off financial aid to Nicaragua, leaving the Sandinistas to look to socialist countries for financial aid. In addition, a U.S.-trained and funded rebel group, the **Contras**, carried out a campaign of violence in Nicaragua that made it harder and harder for the junta to govern.

Eager to prove their government was still democratic in spite of its socialist leanings, the Sandinistas held an election in 1984. They were easily reelected. However, increasing economic troubles and violence continued throughout the 1980s.

READING CHECK

Make Generalizations

How did U.S. influence affect conflicts in Guatemala, El Salvador, and Nicaragua?

SECTION 1 ASSESSMENT

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Online Quiz

Keyword: SHL LAT HP

Reviewing Ideas, Terms, and People

- a. Describe** What conditions in postwar Latin America made many countries politically unstable?

b. Infer Why did **Liberation Theology** become popular in Latin America?

c. Evaluate What was one benefit and one drawback of import-substitution led industrialization?
- a. Identify** Who is **Fidel Castro**? How did he come to power?

b. Summarize How has the Cuban Revolution affected life for people in Cuba?

c. Predict What challenges might Cuba's government face after Castro's rule has ended? Explain your answer.
- a. Recall** Why did the United States get involved in Guatemalan politics in the 1950s?

b. Analyze What factors led to the failure of the **Sandinista** government?

c. Support a Position Do you think the United States should have become involved in civil wars in Central America? Why or why not?

Critical Thinking

- Identify Cause and Effect** Using your notes, identify major causes and effects of revolutions and civil wars in Central America. How were these causes and effects similar and different from country to country?

	Cause	Effect
Cuba	<input type="text"/>	<input type="text"/>
Guatemala	<input type="text"/>	<input type="text"/>
El Salvador	<input type="text"/>	<input type="text"/>
Nicaragua	<input type="text"/>	<input type="text"/>

FOCUS ON WRITING

- Exposition** Imagine you are a citizen of Cuba, El Salvador, or Nicaragua. Write a short letter to a friend explaining the conflict in your country, identifying who is fighting, and analyzing what people are fighting for.

The Rise of Dictatorships

BEFORE YOU READ

MAIN IDEA

Spiraling economic and social problems and political turmoil in Latin America led military leaders to seize power and install repressive regimes.

READING FOCUS

1. How did life change under dictatorships in Argentina?
2. What changes occurred during the dictatorship in Brazil?
3. What was life like in Chile during Pinochet's dictatorship?
4. How did dictatorships affect life in other countries?

KEY TERMS AND PEOPLE

Juan Perón
populist
hyperinflation
Augusto Pinochet
Manuel Noriega
Shining Path

TAKING NOTES

As you read, take notes on life during the dictatorships in these countries.

Argentina	
Brazil	
Chile	
Other countries	

VOICE OF THE PEOPLE

THE INSIDE STORY

Why was a dictator's wife so loved by her people? To her admirers, Eva

Perón was the voice of Argentina's poor working class. As her husband, Argentine president Juan Perón, became more and more powerful, Evita ("little Eva") never let him forget the workers—the people whose support had helped him rise to power.

Although she never held any official posts during her husband's presidency, Evita essentially ran the government's health and labor departments. Focusing on charity work, she created the Eva Perón foundation to help the poor. This foundation built hospitals, schools, orphanages, and other institutions to help Argentina's poor and needy citizens. In addition, Evita championed the rights of women.

In 1952 Evita died tragically from cancer at the age of 33. The nation was devastated. Massive crowds of mourners lined up for miles to attend her funeral. Even today Evita's popularity lives on in books, films, and a Broadway musical. ■

Argentina

After World War II, when many countries around the world got rid of dictators, Argentina and other Latin American countries saw a rise of dictatorships. Many of these rulers did not come to power with the intent to rule as dictators. But social and economic conditions allowed them to take tremendous power at the expense of people's personal freedoms.



▲ Evita waves to her admirers.

Perónism Beginning in 1943, Juan Perón rose to power following a military coup. With the help of his wife, Eva, Perón quickly proved himself to be a **populist**, a supporter of the rights of the common people as opposed to the privileged elite. With Eva in charge of labor and social programs, Perón made radical changes. He created a minimum wage, an eight-hour workday, and paid vacations. He built schools, hospitals, and homeless shelters. A booming postwar economy helped pay for these benefits.

However, there was a downside to Perón's rule. He tried to boost industrialization, but the effort failed because of a lack of resources. He also placed the cattle and wheat industries under government control. Farm production plunged as a result, damaging the nation's economy. In addition, Perón ruled with an iron fist. He turned Argentina into a one-party state and suppressed opposition and freedom of speech. Perón had become a dictator.

Military Dictatorships Perón's eventual downfall in 1955 was followed by decades of economic and political turmoil. For many years, right-wing military dictatorships ruled Argentina. They struggled with declining industry and rising unemployment, inflation, and foreign debt. Meanwhile, they cracked down on dissent by severely limiting people's personal freedoms.

Argentina entered a particularly ugly period in history from 1976 to 1983. During those years, the government carried out a "dirty war," as it was known, against suspected dissidents. It was a secret war carried out in the middle of the night. Soldiers seized people from their homes and took them to detention centers, where they were tortured and often killed. Some 10,000 to 30,000 people vanished during this time. The victims included both critics of the government and those falsely accused of being critics.

Reading like a Historian

Mothers of Plaza de Mayo

Evaluating Historical Interpretation When historians interpret the past, they build on and add to the knowledge, information, and sources of other scholars who have come before them. Through this process, historians arrive at their own interpretation of events based on their sources and their personal background and experiences.

The selection here is one historian's interpretation of the role of the Mothers of Plaza de Mayo. To evaluate this historical interpretation, think about

- the author of the source
- the date the source was created
- the author's background or perspective

The decision to install a permanent weekly presence in Plaza de Mayo was an act of desperation rather than one of calculated political resistance. It was a sense of desperation which the women believed only other mothers who had lost their children would share. . . . The Mothers, however, who had no legal or political expertise, recognized that their only weapon was direct action. They were committed to their illegal meetings in the square. Only by demonstrating their collective strength would they have any chance of breaking through the wall of silence erected by the authorities . . .

—Jo Fisher, from *Mothers of the Disappeared*, 1989

**Skills
FOCUS**

READING LIKE A HISTORIAN

1. **Author** Jo Fisher based her book on interviews with more than 40 mothers and grandmothers in Argentina. How does that affect the author's credibility?
2. **Date** What benefits and drawbacks are there for historical interpretation when it occurs soon after an event takes place?
3. **Background** The author developed a close connection with the mothers and their cause. How might that affect her interpretation?

See **Skills Handbook**, p. H32

This book was published in 1989, soon after the events it describes had taken place.

Desperate relatives tried to find out what happened to their loved ones. A group of mothers of the disappeared marched every week in the Plaza de Mayo, a square outside government buildings in Buenos Aires. Although they did not get the answers they wanted from the government, they did manage to bring national and international attention to the tactics of Argentina's military dictatorship.

READING CHECK Find the Main Idea How did dictatorships affect society in Argentina?

Brazil

Brazil followed a path similar to Argentina's. For a while, however, it seemed like Brazil would take a more stable and democratic route. With the death of a dictator in 1954, Juscelino Kubitschek (zhoo-se-LEE-noh KOO-bih-shek) came to power in a free election. Kubitschek promised "fifty years of progress in five." Foreign investment flowed into Brazil and helped the president achieve his goal. The results of this economic progress can be seen in the capital city of Brasília. The city, built in just three years at a cost of about \$2 billion, became a symbol of pride and modernity.

The modernization effort, however, bankrupted Brazil's economy. As a result, military rulers seized control in 1964. For a time, they achieved success, creating the "Brazilian miracle" of 1968 to 1973. Industrial exports, farming, and mining grew. In fact, during this time Brazil's economy grew faster than any other in the world.

To achieve such rapid growth, Brazil's military dictatorship froze wages. Living standards declined sharply as a result. If people complained about the government, they risked becoming victims of government death squads that kidnapped, tortured, and killed.

As opposition to the military dictatorship grew, the economy crashed again. When oil prices rose in the 1970s, the economy spiraled into debt and **hyperinflation**, an extremely high level of inflation that grows rapidly in a short period of time. By 1990 the inflation rate was more than 2,500 percent.

READING CHECK Identify Cause and Effect What caused Brazil's economic problems?

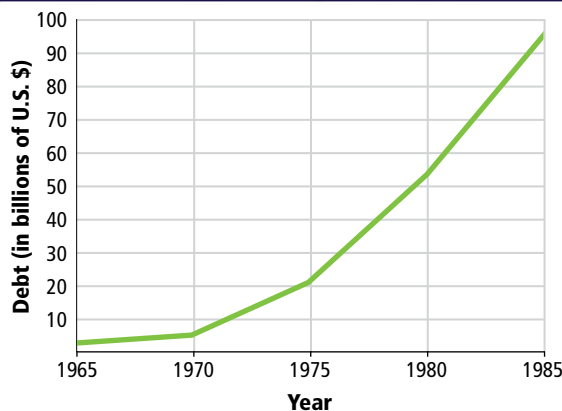
HISTORY and Economics

Budgeting Money and Preventing Debt

Money is a limited resource, and using it wisely requires a plan for spending called a budget. A budget that is carefully planned and followed can help ensure that needs and wants are provided for appropriately. Responsible budgeting can also help prevent debt.

Budgeting and Debt in History In the 1960s and 1970s Brazil's leaders decided to borrow money to pay for the development of the nation's industries. They believed accumulating this debt was justified because future economic growth would create trade surpluses that the country could use to repay its loans. But that did not happen. Instead, the cost of oil skyrocketed in 1973 and 1979. Higher oil prices made industrialization dramatically more expensive than Brazil's leader had planned on when making the country's budget. As a result, Brazil's national and foreign debt spiraled out of control.

BRAZIL'S FOREIGN DEBT, 1965–1985



Sources: *The Brazilian Economy: Growth and Development*;
A Dívida Externa Brasileira 1964–1982: Evolução e Crise

Budgeting and Debt in Your Life In your life, you will also need to budget to pay the bills and stay out of debt. For example, will you take out loans to pay for college? How much debt should you take on to buy a car or a house? Answering questions like these will require you to carefully budget your earnings and expenses. Of course, you will not be able to anticipate all the factors that may affect your personal finances in the future. As a result, you may decide that the best approach will be to keep your budget balanced, take on as little debt as possible, and have enough savings to cover any emergencies.

Draw Conclusions Why is it important for people to budget their money?

The Pinochet Regime



Augusto Pinochet led a military coup in Chile in 1973.



During Pinochet's regime, thousands of people disappeared. Their relatives continue to protest against the government, demanding to know what happened.

What tactics are the protesters using?

Chile

As in Argentina and Brazil, economic problems led to drastic changes in Chile's government. Like so many other Latin American countries, Chile spent a period of time under the rule of a dictator.

Allende's Presidency In 1970 Chileans elected the leftist Salvador Allende president. Allende tried to improve the lives of the working class and stimulate the economy. He spent huge amounts of money on housing, education, and health care. The government broke up large estates and distributed the land to peasants. It also nationalized foreign-owned companies. For a time, Allende's measures were successful and widely popular.

However, Allende soon ran into trouble. Industrial and farm production fell, prices rose, and food shortages spread. In addition, Allende's leftist policies alienated business owners and worried the U.S. government. The CIA began providing secret funding and military training to opposition groups in hopes of triggering a coup.

As the economy failed and more people turned against Allende, the military rebelled. On September 11, 1973, fighter planes bombed the presidential palace. Allende and more than 3,000 others died in the coup.

The Pinochet Regime Several weeks before the coup, Allende had appointed a new commander in chief of the army, **Augusto Pinochet** (peen-oh-SHAY). General Pinochet was closely involved in the coup. He took command of the new military junta and became president in 1974.

Pinochet moved quickly to destroy the opposition. He disbanded congress, suspended the constitution, and banned opposition parties. He also censored the media. Within three years, an estimated 130,000 people were arrested for opposing the government. As in Argentina and Brazil, the government used violence as a tool to keep power. Thousands of people disappeared, were tortured, or fled into exile.

Despite the political crackdown, during this period the economy experienced several periods of rapid growth. Pinochet's government promoted capitalism, and exports grew.

READING CHECK

Summarize How did events in Chile lead to a dictatorship?

Other Dictatorships

Military coups and elections brought other dictators to power throughout Latin America from the 1960s to the 1980s. These dictators had negative effects on their countries and caused serious international concern.

READING SKILLS

Understanding Causes and Effects

What was one cause and one effect of the 1973 coup?

Haiti In Haiti, one family headed a dictatorship for 28 years. In 1957 François Duvalier was elected president, but he quickly began to repress any opposition. When he died, his son carried on the dictatorship.

The corruption of the Duvaliers made Haiti's bad economy even worse. In 1986 riots broke out in protest, and Duvalier was forced to flee. After several years of turmoil, Haitians elected Jean-Bertrand Aristide president in 1990. He had a plan to improve living standards for the poor. However, his presidency lasted just seven months before he was pushed from power by a military coup.

Aristide returned to power in 1994 when, faced with an invasion by U.S. troops, the Haitian military stepped down. But although he was popular with the poor, he was unable to solve the country's economic problems and was eventually pushed from power again.

Panama During the 1980s Panama came under the control of a dictator, **Manuel Noriega**. Noriega brutally crushed his enemies and used the country as a base for drug smuggling.

Noriega caused international concern. The Panama Canal, which had been under the control of the United States since its construction, was scheduled to be handed over to Panama in 1999. Because of the economic importance

of the canal to worldwide shipping, Noriega's misrule posed a threat to worldwide economic interests.

In 1989 the United States sent troops to Panama City to arrest Noriega. Noriega surrendered and was sent to a prison in Florida on charges of drug trafficking. Democratic elections in Panama followed in 1994, and transfer of the canal occurred smoothly in 1999.

Peru In 1990 Peru faced the challenges of a poor economy and a guerrilla group known as the **Shining Path** that was terrorizing the countryside. In these conditions, Alberto Fujimori won the presidential election. Fujimori took drastic measures to improve the economy and stop the Shining Path. When congress complained that he had abused his power as president, Fujimori disbanded congress and suspended the constitution.

Although Fujimori had essentially become a dictator, Peru held elections in 1995. With the economy booming and significant progress being made against guerrilla activity, Fujimori won again. However, scandals and fraud eventually forced him to resign after the election of 2000.

READING CHECK Compare What did the dictators in Haiti, Panama, and Peru have in common?

SECTION 2 ASSESSMENT

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Online Quiz

Keyword: SHL LAT HP

Reviewing Ideas, Terms, and People

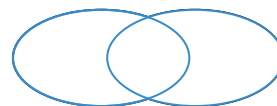
- Define** What is a **populist**?
 - Infer** Why do you think Argentina's military dictatorships cracked down on dissent?
 - Make Judgments** Do you think the results achieved by the mothers of the disappeared were worth the risk of protesting against the government? Explain your answer.
- Describe** What was life like in Brazil during the military dictatorships?
 - Analyze** What led to **hyperinflation** in Brazil?
 - Elaborate** How might Brazil have avoided its economic troubles?
- Identify** Who became dictator of Chile after the coup that ended Allende's rule?
 - Sequence** What events led to a military coup in Chile?
 - Support a Position** What is your reaction to the argument that strong, repressive leadership was needed to achieve economic progress in Chile?
- Identify** Who was Manuel Noriega?

b. Infer What role did the **Shining Path** play in allowing Fujimori to essentially become a dictator?

c. Elaborate How might the situation in Panama have been different if the Panama Canal were not at stake?

Critical Thinking

- 5. Compare and Contrast** Choose two countries from this section. Using your notes and a graphic organizer like this one, describe similarities and differences between those countries.



FOCUS ON WRITING

- 6. Description** Imagine you live in Chile in 1974. Write a short journal entry describing the recent changes in your government and how those changes might affect Chile's future.

Democratic and Economic Reforms

BEFORE YOU READ

MAIN IDEA

In the 1980s, repressive regimes in Latin America fell, and more moderate elected leaders brought some measure of political and economic progress.

READING FOCUS

1. How did democracy return to Latin America?
2. How has democracy in Mexico changed in recent years?
3. What have been the results of market reforms in Latin America?

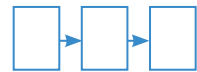
KEY TERMS AND PEOPLE

Violeta Chamorro
North American Free Trade Agreement (NAFTA)
Vicente Fox
Hugo Chávez

TAKING NOTES

Take notes on

the chain of events that brought democratic and economic reforms to Latin America.



THE INSIDE STORY

How did a dictator's attempt to distract his people lead to war?

In early 1982 Argentina's military government was faced with a weakening economy and public outcry over the mysterious disappearances of government critics. Argentina's government, led by General Leopoldo Galtieri, wanted to distract the country from its problems. So Galtieri started a war. On April 2, about 9,000 Argentine troops invaded the British-controlled Falkland Islands in the South Atlantic, about 300 miles off Argentina's coast.

The Falklands—known as the Malvinas in Argentina—consist of two main islands and hundreds of tiny ones. The 2,000 or so Falklands residents were mainly sheep-farming British citizens. Great Britain and Argentina had both claimed these small islands for about 150 years. But Galtieri wanted to take them from the British once and for all.

Galtieri's political gamble failed. First, Galtieri did not expect the British to fight back, but they did. Second, he did not count on the role the United States would play in the conflict. Argentina and the United States had recently enjoyed good relations, and Galtieri thought the United States would remain neutral. Instead, the United States supported Great Britain.

In addition to these political miscalculations, Argentina's armed forces suffered a major defeat. The country's poorly trained troops were no match for the British army. The situation quickly got so bad that some Argentine commanders abandoned their soldiers. The British easily

recaptured the islands and took many Argentine soldiers prisoner. About 700 Argentines and some 250 British troops lost their lives in the fighting.

To make things worse, military leaders lied to the public about the war by giving them false reports of victory. When the truth was discovered, the ruling military was humiliated and discredited. Although the war lasted just 74 days, it helped bring down the dictatorship. ■

A WAR OF DISTRACTION



Return of Democracy

After decades of struggling through civil wars and conflicts, dictatorships across Latin America started falling in the 1980s and 1990s. Voters were finally able to elect leaders who put an end to military rule, and moderate civilian politicians began a series of political and economic reforms.

The Failures of Dictatorships Latin America's military governments fell for a number of reasons. One major reason was that many had failed to achieve social and economic reforms. Poverty, malnutrition, and infant mortality remained high throughout most of the region. As a result, poor, landless peasants continued to stream into cities and settled in giant shantytowns in search of work. Even the "Brazilian miracle" had gone sour. It turned out to be a miracle for the few—the military, large landowners, and wealthy businesspeople.

In addition to failing to improve people's economic lives, the dictatorships did not manage to bring about stability and security. In Central America, death squads roamed cities and the countryside while civil wars raged. In South America, civil rights were severely repressed. Governments in Argentina, Brazil, and Chile dealt with opposition through mysterious disappearances, torture, and killings carried out by the military dictatorships. Some people began to demand a change.

British soldiers fight Argentine forces in the Falkland Islands. ▼



FACES OF HISTORY

Violeta CHAMORRO
1929–



Violeta Chamorro began her political career as a member of Nicaragua's Sandinista government. However, she soon became an outspoken critic of the Marxist policies of the Sandinistas.

In 1990 the Sandinistas allowed a presidential election, and Chamorro defeated the Sandinista candidate, Daniel Ortega, to become the first female president in Central America. During her presidency, she worked to unify the country, which had been deeply divided by civil war. She brought the war to an end and reversed many Sandinista policies, such as Sandinista control of the military and restrictions on freedom of the press.

Summarize How did Violeta Chamorro change politics in Nicaragua?

A Peaceful Transition Despite this history of violence and repression, the return of democracy in Latin America was actually fairly peaceful. The change came when a combination of internal and external forces began to apply pressure for reform. International lenders, including the International Monetary Fund (IMF), the World Bank, and large corporate banks, began to demand changes in the way countries were governed as a condition for receiving loans. Also, pro-democracy groups inside and outside the region, such as the Organization of American States, began calling for countries to restore voting rights and allow political opposition. Military leaders began to realize that they needed to relax some of the restrictions on society and integrate some limited freedoms into their policies.

Given a chance to vote, people did. Countries across the region voted out the military and voted in new civilian governments.

Democracy in Brazil returned in the early 1970s. Argentina followed after the Falklands War in 1982. Central American countries returned to relative calm in the 1980s and 1990s with the election of moderate governments, such as that of **Violeta Chamorro** in Nicaragua. In Chile, which enjoyed more economic success than most of the region, the Pinochet regime fell in 1990.

READING CHECK Identify Cause and Effect

What factors brought about the return of democracy in Latin America?

ACADEMIC VOCABULARY

integrate to blend or join together

Democracy in Mexico

Mexico's path to democracy was different from other countries in the region. Unlike most other Latin American countries, Mexico experienced relative political stability in the second half of the 1900s. Although Mexico was never really a dictatorship, it was not very democratic either.

One-Party Rule For more than 70 years, the Institutional Revolutionary Party, or PRI, ruled Mexico with almost no opposition. It controlled congress, and PRI candidates won every presidential election. Often these political victories were achieved through fraud and force. At election time, candidates gave gifts of food and other goods to poor people to win their votes.

In spite of the political situation, Mexico's economy remained quite strong. Boosted by Mexico's rich oil reserves, industry grew for many years. However, because of the PRI economic policies, Mexican industry became increasingly dominated by foreign companies. As these companies' profits increased, more money went to foreign countries. Mexico's foreign debt grew tremendously, and poverty and inequality remained.

Demands for Reform Worsening economic conditions and growing frustration with political corruption left the ruling party open to take all the blame. In addition, a number of crises struck Mexico that caused more dissatisfaction with the PRI.

The first crisis occurred in 1968 when police and military forces opened fire on a group of peaceful student protesters. The event left hundreds dead and wounded. To make matters worse, the government tried to cover up the extent of the tragedy. A Mexican teacher explained how the massacre affected people's views of the government:

HISTORY'S VOICES

“The . . . incident led those who sincerely believed that great improvements had been made in our democratic institutions, and that the political and social system of our country was basically sound except for certain minor failings and mistakes, to re-examine all their most cherished beliefs.”

—Elena Quijano de Rendón, quoted in *Massacre in Mexico*, by Elena Poniatowska

Another crisis occurred in the 1980s when

Changes in Mexico

Mexico has made much progress toward a fairer and more inclusive political system in recent years. No longer dominated by one party, Mexico's government is more democratic today and is working to improve the country's economy.



▲ Mexican riot police arrest student protesters in 1968 following violent clashes that killed as many as 300 people.

world oil prices fell. Mexico's economy relied heavily on oil production and exports, and the fall in prices caused oil revenues to be cut in half. The country fell into a severe economic decline. High inflation and unemployment meant that many people struggled to support themselves. When a major earthquake destroyed large parts of Mexico City in 1985, the huge cost of rebuilding created more problems for the government and the economy. Public dissatisfaction with the PRI increased.

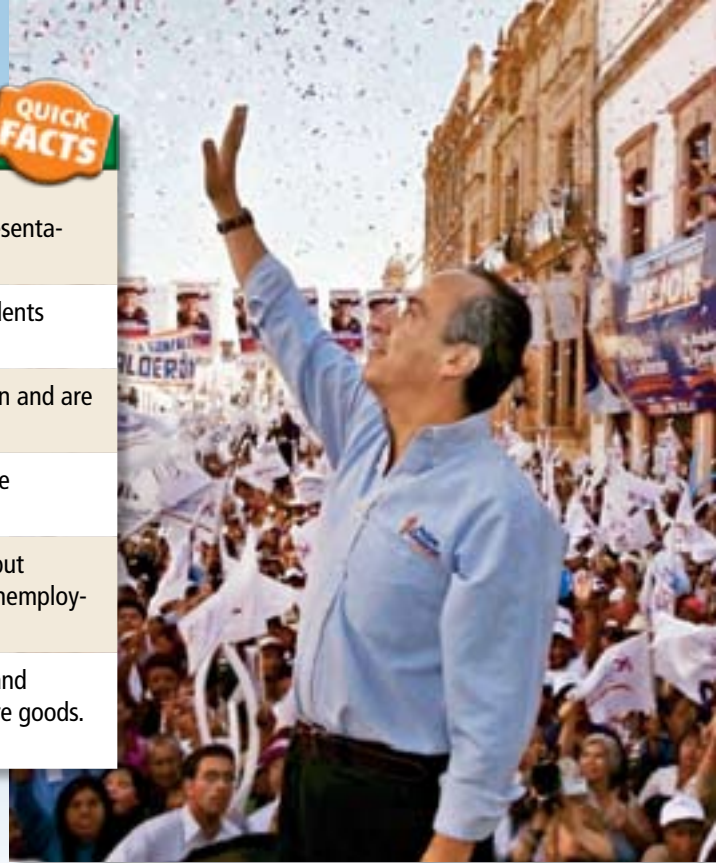
Events of the 1990s brought even more concern to Mexicans. In 1992 Mexico, the United States, and Canada signed the **North American Free Trade Agreement (NAFTA)**, a free-trade agreement that eliminated tariffs on trade between the three countries. NAFTA was designed to improve the countries' economies, but many Mexicans feared the economic effects of increased competition from foreign imports.

In 1994 a peasant uprising in the Mexican state of Chiapas and the government's decision to devalue the Mexican currency again shook the public's confidence. As more Mexicans faced new hardships in their daily lives, something had to change.

MEXICO THEN	MEXICO NOW
One political party, the PRI, controlled congress.	The PRI is just one of many political parties to have representation in congress.
The PRI candidate won every presidential election.	Mexicans have elected presidents from opposition parties.
Elections were characterized by corruption and fraud.	Elections are much more open and are closely monitored for fraud.
The government crushed dissent, sometimes violently.	People can openly criticize the government.
Mexico had tremendous foreign debt, inflation, and unemployment.	Economic problems remain, but foreign debt, inflation, and unemployment are down.
Many industries were nationalized, and imports and exports were limited.	Imports and exports are up, and Mexicans have access to more goods.

QUICK
FACTS

Felipe Calderón won Mexico's closely contested presidential election in 2006. ►



A New Era Change began in 1997 when opposition parties won a number of seats in congress. In 2000, voters ended 71 years of PRI rule when they elected as president **Vicente Fox**, a member of the conservative PAN party.

Fox faced the challenge of creating a functioning government and stable economy. In addition, he worked to end the uprising in Chiapas, end corruption, and improve relations with the United States. Fox made progress on most of his goals. However, relations between the two countries were strained in 2006 when political leaders in the United States worked to reform immigration laws and improve border security. Fox argued that both countries needed to address the economic disparities that encouraged illegal immigration and to recognize the status of immigrant workers in the United States.

Mexico maintained its commitment to democracy with elections in 2006. Felipe Calderón, of the conservative PAN party, won an extremely close race. He faced the recurring challenge of improving Mexico's economy.

READING CHECK **Find the Main Idea** In what way was Mexico not very democratic until 2000?

Market Reforms

The shift to democracy that swept through countries from Mexico to Argentina brought economic changes as well. Under pressure from Western banks, deeply indebted Latin American countries began a series of reform measures in the 1990s. These measures were difficult, but they held out the promise of economic progress and stability. The reforms included

- drastically cutting government spending, including funding for social programs
- ending some government subsidies of businesses
- selling government services to private enterprise
- returning inefficient, government-controlled businesses to private ownership
- strengthening regional trade agreements and establishing new ones.

These cost-cutting, free-market measures were intended to stabilize shaky economies by reducing inflation and expanding exports. They were also expected to enable countries to pay their debts.

ACADEMIC VOCABULARY

security freedom from danger or fear

Results of Market Reforms The free-market reforms of the 1990s had mixed results. Many countries experienced economic growth and stability as private enterprise became stronger, but others suffered.

Some successes occurred in Brazil and Chile. Brazil's inflation fell from quadruple digits in 1994 to less than 7 percent in 2006. In Chile, reforms cut the poverty rate in half between 1990 and 2003. In addition, fruit exports soared as new markets opened. Business owners celebrated the economic changes. Reassured bankers, as well as international lenders such as the International Monetary Fund and the World Bank, loaned billions of dollars for increased economic development in Latin America.

Struggles continued in other parts of Latin America. Overall, exports from the region generally remained sluggish, as many countries were dependent on single commodities.

In addition, the many reform measures caused hardships in some countries.

One country that suffered from these reform measures was Argentina. Once viewed as a model for economic growth and stability, Argentina experienced a deep recession in 2001 and 2002. When the country could not pay its multi-billion-dollar debt, the president responded by devaluing Argentina's currency. Therefore, people's money was suddenly worth less than it was before. As a result, banks failed, and the unemployment rate reached more than 20 percent. Many middle-class people who had held good jobs suddenly found themselves struggling to buy basic necessities. By the end of 2003, however, the economy had mostly stabilized once more.

Even where market reforms have benefited national economies, many people have not felt the positive effects. For example, poverty is still widespread in Latin America. Nearly one-third of the population lives on less than two dollars a day. In addition, the gap between rich and poor has widened. In 2003 about 10 percent of the region's population earned nearly half of all income.

Still, supporters of market reforms insist that the reforms simply have not gone far enough or had enough time to make an impact. They argue that key elements of reform, such as laws to protect property rights and business contracts, have not been made. Also, political corruption cripples businesses in much of Latin America.

Reactions to Market Reforms Latin Americans' dissatisfaction with economic problems and with their governments' seeming inability to solve them has led to more political and economic shifts in the region. Starting in the late 1990s elections brought populist, left-leaning leaders to power in some countries.

In 1998 Venezuelans elected **Hugo Chávez** president. Popular among the poor, Chávez set out to eliminate poverty. To do so, however, he rejected certain aspects of capitalism. Chávez's policies appear to have had limited success, but problems remain. Also, critics both within and outside Venezuela are concerned that he has turned the country away from democracy and toward dictatorship.

Another dramatic shift occurred in Bolivia. There, indigenous leader Evo Morales defeated

THE IMPACT TODAY

Many people from Latin America migrate to the United States hoping for economic opportunities they do not have at home.



Latin American Economies Today

Economies are growing in most Latin American countries today. As industries become more competitive and exports and imports grow, the middle class is expanding and people are gaining more access to consumer goods. Still, not everyone benefits from these changes.

Why do you think an improved national economy might not benefit everyone?

An autoworker assembles trucks in Mexico. ►

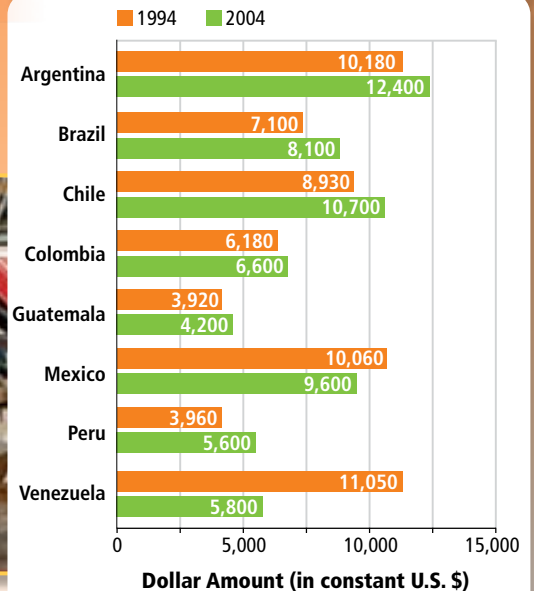


**Skills
FOCUS**

INTERPRETING GRAPHS

Analyze How would you describe Latin America's growth in GDP per capita based on the information in this graph?

GDP PER CAPITA IN LATIN AMERICA



Sources: *The World Almanac and Book of Facts, 1997*;
The World Almanac and Book of Facts, 2006

a former IMF official in a 2005 election. Morales nationalized the natural gas industry in an effort to enable all Bolivians to benefit from their resources. He also supported farmers who grew coca leaves, which have traditional uses but can also be used to make cocaine.

In Brazil voters turned to a leftist president when they elected Luiz Inácio Lula da Silva in 2002. They hoped that Lula, a former union

leader, would be sympathetic to the problems of the poor. Although people were concerned that Lula's former ties to the Communist Party would lead Brazil in the wrong direction, Lula managed to balance the interests of social reformers and businesses.

READING CHECK

Make Generalizations

How have people in Latin America reacted to market reforms in recent years?

SECTION 3 ASSESSMENT

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Online Quiz

Keyword: SHL LAT HP

Reviewing Ideas, Terms, and People

- a. Describe** What failures caused the fall of dictators in Latin America?

b. Analyze What factors made possible a peaceful transition to democracy?

c. Make Judgments Did foreign countries have a right to push for political changes in Latin America? Explain your answer.
- a. Describe** Why was the election of **Vicente Fox** significant for Mexico?

b. Sequence What were the major crises facing Mexico, in chronological order, that led to the end of one-party rule?

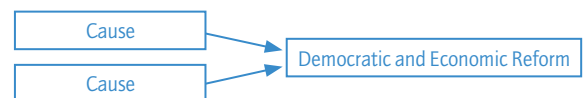
c. Make Judgments Several crises helped bring about the end of PRI rule. Were Mexicans right to blame their government for the situation in their country? Explain your answer.
- a. Describe** Describe two market reforms that took place in Latin America.

b. Analyze What were the positive and negative effects of the economic reforms of the 1990s?

c. Predict How do you think the move toward leftist leaders might affect Latin America in the future?

Critical Thinking

- Identify Cause and Effect** Using your notes, fill in a graphic organizer like the one below with at least two main causes of democratic and economic reform in Latin America.



FOCUS ON SPEAKING

- Persuasion** Imagine you are a citizen of a Latin American country in the 1970s or 1980s. Write a short speech explaining why there is a need for political or economic reform in your country.

NAFTA

Historical Context The four documents below represent different views of the effect the North American Free Trade Agreement (NAFTA) has had on Mexico.

Task Study the selections and answer the questions that follow. After you have studied all the documents, you will be asked to write an essay explaining whether NAFTA has been good or bad for Mexico. You will need to use evidence from these selections and from the chapter to support the position you take.

DOCUMENT 1

Mexico's Balance of Trade

This table shows Mexico's trade balance with the United States and Canada from 1993 to 2003. Negative numbers mean that Mexico imported more than it exported. Positive numbers mean that Mexico exported more than it imported.

MEXICO'S TRADE BALANCE, 1993–2003

YEAR	WITH THE UNITED STATES	WITH CANADA
1993	–1,164*	1,723*
1994	–1,350	1,713
1995	15,393	2,527
1996	17,506	2,677
1997	14,549	3,081
1998	15,857	2,863
1999	22,812	3,474
2000	24,577	4,109
2001	30,304	3,587
2002	37,146	3,609
2003	40,648	4,588

*in millions of U.S. dollars

Sources: *The World Almanac and Book of Facts*, 2006;
The Canadian Trade Commissioner Service

DOCUMENT 2

A Political Cartoon

This cartoon ran in a Mexico City newspaper in 2004. It shows one artist's opinion of NAFTA's effects.



Mr. Dumping, published in *El Universal*, October 13, 2004

DOCUMENT 3

Report of the World Bank

Economists studied NAFTA's effects on Mexico for a report published by the World Bank in 2003. The excerpt below contains some of their findings.

The report's main conclusion regarding NAFTA is that the treaty has helped Mexico get closer to the levels of development of its NAFTA partners. The research suggests, for example, that Mexico's global exports would have been about 25% lower without NAFTA, and foreign direct investment (FDI) would have been about 40% less without NAFTA. Also, the amount of time required for Mexican manufacturers to adopt U.S. technological innovations was cut in half. Trade can probably take some credit for moderate declines in poverty, and has likely had positive impacts on the number and quality of jobs. However, NAFTA is not enough to ensure economic convergence among North American countries and regions. This reflects both limitations of NAFTA's design and, more importantly, pending domestic reforms.

DOCUMENT 4

An Economic Report

Researchers Timothy A. Wise and Kevin P. Gallagher published their analysis of NAFTA's effects on the Mexican economy in 2002 through an organization called Foreign Policy in Focus.

Official figures from both the World Bank and the Mexican government show that trade liberalization has succeeded in stimulating both trade and investment, and it has brought inflation under control. Mexico's exports have grown at a rapid annual rate of 10.6% in real terms since 1985, and foreign direct investment (FDI) has nearly tripled, posting a real 21% annual growth rate. Inflation has been significantly tamed.

Unfortunately, these figures have not translated into benefits for the Mexican population as a whole. The same official sources show that:

- ... There has been little job creation, falling far short of the demand in Mexico from new entrants into the labor force. Even the manufacturing sector, one of the few sectors to show significant economic growth, has seen a net loss in jobs since NAFTA took effect.
- Wages have declined nationally, with real wages down significantly. The real minimum wage is down 60% since 1982, 23% under NAFTA.

Skills FOCUS

READING LIKE A HISTORIAN

DOCUMENT 1

- Describe** What has happened to Mexico's balance of trade with the United States since NAFTA took effect?
- Analyze** How do you think the change in balance of trade has affected Mexico's economy?

DOCUMENT 2

- Describe** What is happening in the political cartoon?
- Infer** What does the artist think about NAFTA's effects on Mexico?

DOCUMENT 3

- Identify Main Ideas** What is the main idea of the World Bank's report?
- Analyze** How can you tell that the writers are confident about some of their conclusions and less confident about others? Which conclusions are they less confident about? Which words indicate they are more or less confident?

DOCUMENT 4

- Identify Main Ideas** What is the main idea of the researchers' report?
- Interpret** Does the report give a mostly positive or mostly negative evaluation of NAFTA? Explain your answer.

DOCUMENT-BASED ESSAY QUESTION

Opinions about NAFTA's effect on Mexico range from very positive to very negative. How has NAFTA affected the different segments of Mexican society in different ways? Using the documents above and information from the chapter, form a thesis that expresses your opinion. Then write a short essay to support your opinion.

See **Skills Handbook**, pp. H25, H27

VISUAL STUDY GUIDE

Political Trends in Latin America

Dictatorships

- Argentina under Perón and the military
- Brazil under the military
- Chile under Pinochet
- Haiti under the Duvaliers
- Panama under Noriega

Moderate Reforms

- Argentina after the Falklands War
- Brazil with the end of the military dictatorship
- Chile after Pinochet
- Nicaragua under Chamorro
- Mexico with the election of Fox

Leftist Movements

- Cuban Revolution under Castro
- Sandinistas in Nicaragua
- Shining Path in Peru
- Chávez in Venezuela
- Morales in Bolivia
- Lula in Brazil

Key Events in Latin America

1954 ■ Jacobo Arbenz, an elected leftist, is overthrown in Guatemala.

1959 ■ The Cuban Revolution brings Fidel Castro to power.

1968 ■ The Mexican army kills hundreds of unarmed student protesters.

Early 1970s ■ Oil prices surge, which benefits Mexico and Venezuela but hurts Brazil.

1973 ■ President Salvador Allende is killed in a coup in Chile, and Augusto Pinochet takes power the next year.

1976 ■ Argentina's "dirty war" begins.

1979 ■ Nicaraguan revolution brings leftist Sandinistas to power.

1980 ■ Archbishop Oscar Romero is assassinated in El Salvador, which worsens that country's civil war.

1980s ■ Debt and hyperinflation bring Latin American countries to the brink of economic collapse.

1982 ■ The Falklands War helps bring down Argentina's dictatorship.

2000 ■ One-party rule ends in Mexico with the election of Vicente Fox.

Review Key Terms and People

Identify the term or person from the chapter that best fits each of the following descriptions.

1. a group of leaders who rule jointly
2. dictator who brought a communist revolution to Cuba
3. agreement to eliminate tariffs on trade between Mexico, the United States, and Canada
4. dictator in Chile who improved the economy but severely repressed personal freedoms
5. leader who supports the rights of the common people as opposed to the privileged elite
6. U.S.-trained and funded rebel group in the Nicaraguan civil war
7. to enter into an event to affect its outcome



Comprehension and Critical Thinking

SECTION 1 (pp. 967–972)

- 8. a. Recall** What influence did Liberation Theology have on Latin American politics?
- b. Compare and Contrast** What were two similarities and two differences between the civil wars in Guatemala and Nicaragua?
- c. Evaluate** How did Fidel Castro's policies change Cuba in both positive and negative ways?

SECTION 2 (pp. 973–977)

- 9. a. Describe** What aspects of Juan Perón's rule show that he was a populist?
- b. Compare and Contrast** How were the military dictatorships in Argentina, Brazil, and Chile both similar and different?
- c. Make Judgments** The United States played a role in the politics of Chile, Haiti, and Panama. Was intervention by the United States justified in each of these cases? Explain your answer.

SECTION 3 (pp. 978–983)

- 10. a. Describe** In what ways was the PRI like a dictatorship?
- b. Make Generalizations** How have market reforms changed Latin American economies in recent years?
- c. Elaborate** Why do you think people in many Latin American countries have been looking to populist, left-leaning leaders in recent years?

Reading Skills

Understanding Causes and Effects Use what you know about understanding causes and effects to answer the questions below.

- 11.** What were two causes of the end of dictatorships in Latin America?
- 12.** What have been the positive and negative effects of market reforms in Latin America?
- 13.** What was one cause and one effect of the 1973 coup in Chile?
- 14.** What major effect did the Falklands War have on Argentina?
- 15.** What were two causes of economic trouble in Brazil during the military dictatorship?

Evaluating Historical Interpretation

Reading Like a Historian The selection below is one historian's interpretation of U.S. influence in Central American civil wars.

“Ronald Reagan's campaigns against the leftist Sandinista regime in Nicaragua and the leftist . . . guerrillas in El Salvador took on all the characteristics of a holy crusade against communist forces in Central America. From the beginning of his first term, President Reagan sought to overthrow the Sandinistas, employing tactics that included economic sanctions, a campaign of public misinformation, support of rightist counterrevolutionary armies (the contras), and covert terrorist operations aided by the CIA.”

—Benjamin Keen, *A History of Latin America*, 1996

- 16. Analyze** Which words or phrases suggest the writer might have a bias one way or another?
- 17. Infer** What do you think the writer thinks of U.S. involvement in Nicaragua and El Salvador?

Using the Internet

go.hrw.com
Practice Online
Keyword: SHL LAT

- 18.** Latin America faces many political and economic challenges today. Using the keyword above, research current events in Latin America that relate to some of these challenges. Then write a one-paragraph summary of two of the articles that you find.

WRITING FOR THE SAT



Think about the following issue:

Countries in Latin America have experimented with different types of governments. Leftist leaders believed that the way to achieve economic progress in societies where few people held most of the wealth was for the common people to take over the government. Rightist leaders believed that only a leader who ruled with an iron fist could force a country to take the painful steps required to reform an inefficient economy.

- 19. Assignment:** Is either of these theories valid in Latin America? Is neither valid? Is either partly valid? Write a short essay in which you develop your position on this issue. Support your point of view with reasoning and examples from your reading and studies.