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Development, democracy, and dependence in the Southern Cone: political coalitions, stabilizing mechanisms, and their hazards

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ABSTRACT

This article explores the challenge of sustaining development-oriented political coalitions in ‘dependent intermediate democratic economies’ (IDDEs). Scholars have pointed out that the absence of upgrading coalitions in IDDEs, particularly in Latin America, results from weak economic and political institutions and fragmented political support, as well as from the political and social turbulences introduced by economic dependency. Our argument, however, is that some Latin American IDDEs have managed to craft semi-stable political configurations capable of sustaining development and reform processes with relative success. These intermediate coalitions pivot on context-specific stabilization mechanisms that balance institutional, political, and economic fragilities and tensions. To support this argument, we take issue with three countries in Latin America’s Southern Cone – Argentina, Chile, and Uruguay – and distinguish three different types of stabilization mechanism at play in each of these cases: an Argentine-style variant based on the hegemonic role played by a dominant political party, a Chilean-style variant based on elite consensus and the atomization of collective organization, and a Uruguayan-style variant sustained by stable links between and within economic and social sectors. Additionally, we explore how each of these configurations, due to their structure, carry inherent hazards that envision specific trajectories of destabilization.

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Introduction

This article explores the challenge of sustaining development-oriented political coalitions in ‘intermediate dependent democratic economies’ (IDDEs). We define IDDEs as those countries that, despite having achieved a certain democratic stability in terms of electoral competition and the level of democratic political incorporation of citizens and social actors, have economies marked by dependent patterns that globally constrain their long-term development. In particular, the article takes

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issue with how certain Latin American IDDEs have tried to navigate the political problem that this double-edged condition imposes on development projects and agendas: to reconcile long-term developmental ambitions with the pressures and short-term priorities arising from the combination of macroeconomic restrictions, institutional frailties, and electoral and socio-economic grievances in society.

We consider Latin America as one of the most relevant and insightful contexts to explore this problem. Despite the significant expansion of political and socio-economic rights witnessed since democratization, and having experienced extended periods of economic growth in recent years, the region has not managed to make a qualitative leap in its economic structure and performance, or to improve the welfare of its citizens as expected for its average level of development (Franko, 2018; Kingstone, 2018). With the exception of Costa Rica, Uruguay, and Chile, and the latter perhaps until recently, institutional weakness remains a pervasive feature of Latin American political regimes (Brinks et al., 2020), the region is the second most unequal in the world (only recently surpassed by the Middle East and North Africa), and most economies lag in terms of productivity, investment, and participation in global value chains (CEPAL, 2021; OECD, 2021).

The literature on the political economy of development has highlighted the role of ‘upgrading coalitions’ formed by state, business and civil society in facilitating intertemporal negotiations and sustaining costly and long-term institutional and economic reform programs (Evans, 1995; Evans & Heller, 2019; Haggard, 2018). However, these coalitions have been difficult to build, leading some authors to state that ‘strong upgrading coalitions have not emerged in today’s MI [Middle Income] countries’ (Doner & Schneider, 2016, p. 619). The Latin American experience coincides with this assessment, with a reputed line of studies highlighting the disadvantages of a political economy marked by a historical tug-of-war between powerful and concentrated elites and effervescent, mobilized, but highly unequal civil societies (Bulmer-Thomas, 2003; Collier & Collier, 2002; Silva & Rossi, 2018). In short, Latin American history has been strongly marked by unstable and turbulent development processes where the presence of stable development-oriented political coalitions does not seem to be either a frequent or a lasting phenomenon.

Theories explaining this vary. Institutionalist and comparative approaches have tended to underline that the dominance of ‘hierarchical’ coordination across institutional spheres in Latin America hampers their reform and development possibilities. In particular, the concentration of ownership, the atomization of labor relations, and the long history of state intervention in the economy are considered to have restricted the operation of markets and ‘encouraged business and labor to focus on relations with the state rather than on possibilities for coordination among themselves’—shaping a disjointed and conflictive pattern of industrial relations benefiting business and foreign firms (Schneider, 2013, p. 182). As such, this skewed verticalism favors insider politics and competition for sectoral privileges while inhibiting inter-temporal cooperation among sectors, impeding broad and deep agreements and the formation of reform-minded long-horizon coalitions (Haggard & Kaufman, 2008; Kingstone, 2018).

Scholars that conceive development as a structurally dependent phenomenon emphasize the role of external constraints and global asymmetries to explain the political economic trajectory of Latin American states and the difficulties they face (Dos Santos, 1970; Fischer, 2015; Kvangraven, 2021; Prebisch, 1962). These

constraints affect domestic productive structures as much as political-social structures, according to Dos Santos (1970, p. 231) limiting ‘the development of their internal market and their technical and cultural capacity, as well as the moral and physical health of their people.’ Accordingly, the recurrent crises and socio-political turbulences of Latin American development would be largely a product of the deep social contradictions and strong inequalities derived from the unequal insertion of these economies at the global level, and the political dilemmas that arise when trying to resolve them (Antunes de Oliveira, 2019; Gerchunoff et al., 2020).

While recognizing the contributions of these schools of thought for identifying the structural and institutional problems of development, our article seeks to understand how IDDEs can build development-oriented coalitions *despite* political-institutional and structural constraints due to economic dependence. In this line, and without minimizing the many challenges that Latin American states face to upgrade their institutional and economic architectures, this article adopts a *via media*, one could say even optimistic approach, considering that existing attempts to recreate social and political embeddedness hold important lessons to better understand the politics of development in ‘really-existing’ IDDE conditions. Consequently, we see that the value of the Latin American case is not so much in marking failures, deficits, or deviations from the path transited by advanced economies or late industrializing ones, but rather in the opposite: Precisely because political elites and social actors in the region face greater political dilemmas and economic constraints as a result of their dependence and democratic character, we should look at Latin America to better understand how localized processes and agencies may facilitate the construction of development-oriented coalitions.

Our central contention is that certain Latin American countries have managed to develop relatively stable coalitions that supported temporary equilibria, in terms of reconciling democratic pressures and distributive conflicts against the restrictions and tensions generated by economic dependence, which allowed democratic authorities the political space to attempt major reform projects. The analytical notion we put forward to explore these equilibria is the presence of ‘stabilizing mechanisms’, which we understand as semi-formal, context-specific, and highly path-dependent forms of state-society orchestration, more or less institutionalized, which support the formation of development-oriented coalitions and enable them to function with a certain cohesion, efficiency, and duration. Note that our treatment of the concept of development-oriented coalitions is defined by outcome *and* duration and not by normative prescriptions of how to achieve development. To the extent that political projects are contingent, structured historically, and culturally and contextually situated, we think that defining coalitions by their programmatic orientation would take us to a dead end. Instead, if a group of influential social actors manages to craft a project with political legitimacy and institutional correlates, with relevant temporal continuity and aimed at diminishing tensions arising from the intersection of distributive demands, social protection and welfare, and economic performance—we are talking about a development-oriented coalition.¹

To support this argument, we investigate three countries in the Southern Cone area: Argentina, Chile, and Uruguay. With important differences in terms of size, economic structure as well as recent economic performance, we believe that this triad offers an insightful set for comparative study. The three countries can certainly be considered intermediate development democratic states: they are three

dependent economies that have reached significant, albeit constrained, levels of socio-economic development, and that possess rooted democratic institutions and highly incorporated and mobilized civil societies, even if problems of democratic practice persist—so that, along with Costa Rica, they occupy the top four positions in the latest Freedom House (2023)'s ranking (excluding Caribbean island states). Moreover, in all three cases it has been possible to build development processes with a certain temporal stability that has enabled the most robust welfare states and social protection systems in the region (Pribble, 2013). At the same time, because of their particularities, the three cases present relevant variation in the operation of their political coalitions and their effectiveness in terms of orchestrating state-society relations and economic governance, with each country's configuration displaying specific (and changing) degrees of institutional stability, from the ever-volatile Argentine case, to the stable and low-key Uruguayan one, passing through the wavering Chilean scenario.

The article is structured as follows. The section ahead outlines the problem of building upgrading development coalitions in IDDEs, with careful attention to the particularities of the Latin American case. As part of this, we offer a parsimonious framework to approach the functioning of democratic political coalitions in intermediate development states, emphasizing the coalitional structures present in these countries and the contributions of context-specific stabilizing mechanisms that grant relative temporal continuity and political consistency to these structures. In the second part, and following a methodological discussion, we examine the political coalitions that have emerged in the cases of Uruguay, Chile, and Argentina, while assessing their overall functioning over the last forty years, then proceeding to explore a number of coalitional hazards associated with each case, understood as structural weaknesses in these arrangements that can potentially undermine their stability.

Our argument thus expands available understandings about the makeshift yet quite concrete solutions that have emerged to manage the political dilemmas surrounding development and reform in contemporary Latin American political economies, with all their frailties, histories, and exposures. While we do not intend to make a generalizable argument about institutional appropriateness and developmental performance, nor do we claim that these variants constitute an exhaustive set of possibilities for the region, this article elaborates on the difficult relationship between democracy, dependency, and democratic politics. Taking stock from distinct approaches to development that often struggle to communicate with each other, our article underlines the relevance of context, politics, and agency, and sheds light on how political and social actors can come together and craft development-oriented solutions despite institutional deficits, structural constraints, and conflicting distributive and democratic demands.

Upgrading democratic coalitions and its challenges in Latin America

An important body of literature has analyzed the effects of state-society relations on developmental institution-building processes. In his classic text, Peter Evans (1995) argued that development processes pivoted substantially on the construction of what he called 'embedded autonomy', a coordinated relationship between state bureaucrats and resourceful elites enabling policy continuity and resource

mobilization while staying clear of capture and excessive particularisms—in opposition to short-sighted predatory coalitions but also to Olson’s (1986, p. 172) distributional ones, those that do not seek ‘to increase the productivity of society, but to get a larger share of what is produced’. More recently, Doner and Schneider (2016, p. 612) have argued that development capacity depends on the extent to which reform-oriented state elites are able to command coalitions with the capacity and commitment to implement reforms and orchestrate powerful actors across sectors, both horizontally, coordinating state agencies, businesses, and other public and private actors, and vertically, across the many entities involved in ‘long chains of implementation’.

These upgrading coalitions are considered to occupy a central role in the successful industrialization and transition to high income of developed countries, though assuming different configurations: from Asian-style elite blocs of authoritarian leaders and industrialists, to multi-class (Northern) European social pacts between organized labor, state, and business (Thelen, 2012). However, there is currently greater acknowledgment in the literature that the structure of successful development coalitions cannot be simply transposed to the conditions in ‘the twenty-first-century Global South’ (Evans & Heller, 2015, p. 698), as the problem is not a mere bureaucratic one of aligning competent technocrats with industrial elites and insulating them from political pressures, but a broader political one of doing this while maintaining legitimacy (or deflecting opposition) in civil societies composed of an assemblage of heterogeneous actors, social blocs, and political constructions, shaped by diverse interests, identities, and power resources (Madariaga, 2020).

In this regard, the problem for Latin America is dual. First, even if some countries have reached levels of social and economic development in terms of Human Development and GDP that place them above the regional average, and above that of comparative countries in other regions (UNDP, 2022), they have not managed to fully upgrade their economies to achieve the structural jump in productivity and efficiency observed in successful developers in the twentieth century, enabling a greater degree of economic insulation from external constraints and the long-term benefits associated with the improvement of income and welfare standards (De la Torre et al., 2013; Rodrik, 2016). As such, Latin American countries must deal with the turbulences stemming from their structural dependency and their subordinated pattern of insertion in global economic relations, manifested, for example, in their restricted borrowing capacity and their greater vulnerability to speculative capital movements (de Paula, Fritz, & Prates, 2020). Furthermore, this vulnerability is considered to have increased due to the growing exposure of Latin American markets resulting from trade liberalization and financial integration processes in the last few decades, which consolidated the financial subordination of national economies and the weight of transnational capital, and by the increasing ‘reprimarization’ of productive and extractive structures since the 2000s commodity super-cycle (Dos Santos, 2011; Katz, 2001; Ocampo, 2017).

Second, due to their republican tradition, high levels of civil society mobilization, and the consolidation of democratic institutions, political projects must inevitably—albeit with nuances depending on the country—find strategies to reconcile economic constraints with pressing social needs and distributive demands. The consequence of this is that during global economic downturns, local governments

have to choose between adopting unpopular adjustment policies to protect the economy, or maintaining fiscal expending and high exchange rates (supporting consumption) at the expense of macroeconomic instability, a dilemma that aggravates distributive conflicts and hampers the electoral sustainability of development agendas (Gerchunoff et al., 2020; Reis & Antunes de Oliveira, 2023). What's more, as dependence is structured on the basis of capital-labor relations, recent literature emphasizes how these tensions connect with other forms of inequality and conflict. In effect, dependency contains an additional factor that refers to the role of racial and gender relations in unequal processes of accumulation on a global scale, based on the exploitation of specific sectors and populations that tend to have worse working conditions and weaker union representation, such as women, indigenous populations, black populations, migrants, and other racialized groups (Mezzadri et al., 2022; Villegas Plá, 2023). This inequality structures domestic economies in terms of labor, gender, and ethnicity and configures cleavages of social contention and political mobilization, affecting the formation of political preferences and identities, the space for long-term policy consensuses, and the stability (and shape) of social and political coalitions.

In sum, the greater external vulnerability and structural dependence of regional economies affects their capacity to build development policies and coalitions, outlining a scenario of greater volatility that not only affects economic development and productive structures but also catalyzes distributive conflict. Precisely because of this precarious intermediate character, Latin America represents an insightful setting to explore the political dilemmas of dependent development, and to consider both challenges and potential solutions to the problem of building development-oriented *and* democratic political coalitions.

Stabilizing democratic coalitions in really existing IDDEs

Our point of departure is that even in IDDE conditions, some countries in the region have managed to sustain important development-oriented reform processes and craft semi-stable coalitions. Subsequently, we ask what factors enabled these coalitions to withstand, even if temporarily, the unsteady cocktail of structural dependency, distributive tensions, and democratic pressures. To elucidate this, we claim it is necessary to consider two interconnected dimensions: the type of coalitional structures present in these countries and their contribution to forms of political and distributive equilibria, and context-specific and semi-formal stabilizing mechanisms that facilitate the orchestration of state-society relations.

We call these institutional arrangements that promote the creation of more or less stable coalitions 'stabilization mechanisms'. These mechanisms take a variety of forms, for example, in industrialized countries with pluralistic political systems, most seem to rely on the basis of a combination of formal labor market institutions—such as sectoral councils, peak organizations and collective bargaining agreements—that articulate sectoral preferences and distributive bargaining, and formal political mechanisms of interest aggregation and representation, such as institutionalized political parties and corporate bodies, which provide political voice and moderate factionalism and contentious struggles (Doner & Schneider, 2020; Haggard, 2018).

In addition, the study of different industrialization experiences has brought attention not only to formal market and labor institutions, but to broader historical trajectories and their influence over political culture and state-society relations. For example, scholars have emphasized the role of historical legacies and contextual circumstances for explaining the functioning of the bureaucratic techno-authoritarian coalitions found among the East Asian Newly Industrializing Countries (NICs), and currently in places such as China and Vietnam. Indeed, a conservative political culture, weak civil society and agrarian elites, and extreme geopolitical insecurity for much of the last century contributed to delegitimizing distributive and democratic demands and supported a developmental state that ‘was both authoritarian in relation to its subjects and disciplined within itself, and which used its power to pursue the goals of military strength and national economic wealth’ (Wade, 1992, p. 312). In the same vein, it has been observed that neopatrimonial regimes can conduct development programs. For example, Doner and Ramsay (1997, p. 240) see Thailand’s ‘competitive clientelism’ to substantially rest on the strong commitment of state bureaucrats to fiscal conservatism, a commitment shaped by an enduring antipathy to indebtedness because of colonial-era concerns.²

Interestingly, in Latin America, these sorts of institutional legacies have been mostly used to argue for the incapacity of the region to produce effective and lasting development coalitions, considering issues such as the abundance of natural resources, the rentier mentality of land-owning elites, and early and relatively strong levels of popular and middle-class organization and political incorporation (Collier & Collier, 2002; Kay, 2002; Wade, 1992). In general terms, this has meant that Latin American regimes were seen historically as lacking the level of vertical insulation that many Asian NICs enjoyed during much of their upgrading phase, and that developmental processes and the building of political coalitions took place against a political landscape populated by a multiplicity of mobilized collective actors structured around distributive cleavages (i.e. peasants, landless workers, unemployed). This landscape convoluted even further with democratization and more recent ‘second incorporation’ processes, which granted greater political voice to identity-based collectives such as indigenous movements, environmental movements, feminist movements, students, etc. (Kingstone, 2018; Silva & Rossi, 2018).

This discussion provides two major insights for our argument. The first is that development processes cannot be thought of as steps on a path that mimics those followed by other societies, nor can they be directly compared to one another, as each country and region has advantages and faces challenges specific to its history, location, and long-term politico-economic trajectory. The second is that the study of development processes in Latin America, and of the stabilization mechanisms that may facilitate them, needs to account for the region’s particular dependent and democratic character.

On this basis, we consider that, precisely because of the political and (macro) economic dilemmas and institutional constraints they face, Latin American IDDEs can be expected to rely on stabilization mechanisms and institutional complementarities with greater ‘democratic embeddedness’ and more salient horizontal/inclusive components and linkages (rather than vertical ones). To validate and expand this expectation, in the following section we examine three cases in Latin America of countries that managed to promote relatively lasting political models for aligning relations with business, labor, and civil society for developmental purposes. As we

explain, these models have assumed different forms and enjoyed different degrees of institutionalization, reflecting each country's institutional architecture, political culture, and historical legacies. Following this, we develop a third sobering point that we think reflects the inherent difficulty of dependent democratic development: solutions can come at a cost, carrying with them a number of potential hazards. Figure 1 reflects our reasoning.

Methodology

As put by Stephan Haggard (2018, p. 43), analyses of development state experiences often sin of over privileging the dependent variable: identifying a certain policy success to then reveal the successful coalitions that underpin it. Much harder, but potentially more illuminating he claims, would be to select on the independent variable and 'formulate a clear ex ante picture of political coalitions that govern the state or any given sector and use that characterization to generate expectations about policy and economic outcomes'. Picking up this wager, we contrast patterns of coalition-making that have emerged in three South American democracies—Argentina, Chile, and Uruguay—considering these countries share a number of particularities that make them convenient to explore the political challenges of Latin American IDDEs in a most similar comparative design.

As mentioned in the introduction, the three countries are highly consolidated democracies, with some of the highest levels of representation in the region, with major social movements, competitive elections, incumbent alternation, and significant civic liberties. At the same time, the three countries have followed relatively similar trajectories of export-led industrialization and political democratization and have achieved comparable levels of socio-economic development and welfare coverage, consistently occupying the top positions in the region's Human Development Index, as shown in Table 1 below.

Our empirical analysis thus proceeds through three analytical steps. First, an extensive review of secondary sources, including recent texts by local scholars, are used to inductively characterize the main factors that shape coalition-making structures in each of these countries, and their general contribution in terms of institution-building, economic governance, and development-oriented reform processes. Second, from this analysis we single out specific stabilization mechanisms

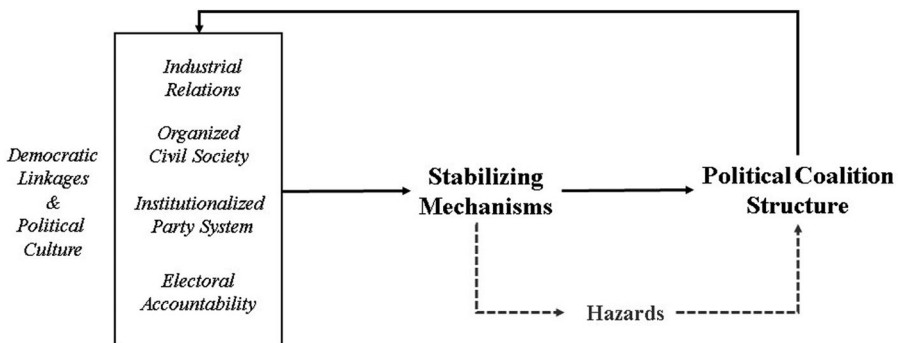


Figure 1. Stabilizing political coalitions in IDDE.

Table 1. Socio-economic & democracy indicators – Argentina, Chile & Uruguay.

	Latin America (excluding Caribbean)	Argentina	Chile	Uruguay
Population (Millions, 2020)	639	45	19.3	3.4
GNI per capita (US\$ PPP, 2017)	16.054	19.178	22.286	20.442
Human development Index (2021)	–	0.842 (2)	0.855 (1)	0.821 (3)
Population below international poverty line (2020)	3.7% (2019)	1.6%	0.7%	0.2%
GINI Index (Urban, 2020)	0,448	0.396	0.476	0.397
Exports, goods & services (% GDP, 2020)	26.3%*	18%	32%	32%
Imports, goods & services (% GDP, 2020)	27.4%*	15%	33%	25%
Global freedom status (FH, 2023)	–	85/100	94/100	96/100
V-Dem electoral democracy index (2022)	–	0.82	0.80	0.81
Support for democracy (Latinobarómetro, 2020)	49%	67.4%	64.5%	78.5%

*Latin American average excluding high-income countries.

Sources: ECLAC, World Bank, UNDP, V-DEM, Freedom House, Latinobarómetro (2020).

that have allowed—with different levels of success—these coalitional arrangements to achieve sufficient stability in spite of the limitations and tensions arising from the IDDE character of these countries. Third, we identify concrete hazards associated in each country's coalitional model, discuss them analytically, and consider them in relation to recent experiences of economic and political turmoil that have overwhelmed stabilization mechanisms and destabilized political coalitions in the past, or that potentially could do so in the future.

Two caveats are worth mentioning. First, with our argument we are not intending to assess the success or sustainability of any particular reform project or argue for the superiority of any concrete political economic model or vision, but rather to take issue with systemic political features, highly resilient and path-dependent, that condition the way in which political coalitions are built in IDDEs. Second, we accept that this imposes limits on the generalization of our argument. While our discussion of developmental coalitions provides some general analytical expectations to scrutinize concrete empirical cases, the reverse does not hold, as a variety of background and historical conditions limit extrapolation to other IDDEs and settings. In this regard, our goal here is not so much generalization but specification: our comparative analysis aims to bring nuance into what remains a rather 'thick concept' (Coppedge, 1999, p. 468), the intermediate democratic development state (and its stabilization mechanisms), relying on typological and qualitative comparative inquiry to discriminate scope conditions, assess differential factors, and identify context-specific configurations and processes, which may assist subsequent theoretical elaboration and cross-case interpretation and analysis (Rihoux & Lobe, 2009).

Political coalitions and stabilization mechanisms in the Southern Cone

In this section we outline the coalition structures present in each of the three cases and consider institutional, social, and political arrangements that have granted

temporary stability to political coalitions since their transition to democracy. As mentioned above, we consider that these general coalition-making structures and supportive stabilizing mechanisms are heavily shaped by institutional legacies, development trajectories, and rooted political values and imaginaries, many of which have survived periods of authoritarian interruption. In this sense, while over the last four decades these countries have experienced relevant changes in the configuration and dynamics of their political systems, the analysis ahead emphasizes persisting and identifiable features consistently at play in structuring the shape of their political coalitions.

Inclusion and political balancing in Uruguay

Uruguay has historically been a highly dependent country and far from changing that, the Uruguayan economy has become more dependent and vulnerable in recent decades. In fact, especially since the early 2000s, the weight of primary products in the Uruguayan export basket has grown significantly, with the share of commodities in exports (what is known also as commodity dependence) reaching 82% for 2019-2021, pointing to a sustained process of economic primarization (UNCTAD, 2023). Additionally, since the seventies, all governments, authoritarian and democratic, have maintained and deepened strategies aimed at attracting foreign investment and financial capital, with the state being a pioneer in the creation of free trade zones in the region and in granting benefits to foreign direct investment (FDI) in areas such as agribusiness, fisheries, and forestry (Bittencourt et al., 2019; Oyhantçabal, 2019). This regime, which was expanded in the 2010s under the center-left *Frente Amplio* (FA) government, largely explains Uruguay's attractiveness to foreign investors, with the ratio of FDI stock to GDP rising from around 10% in the 1990s to over 40% in 2016.

This increasing internationalization of the economy is generally combined with an institutional argument that connects a regime very favorable to the attraction of foreign capital with the stability of the country's political system. In that regard, the country has been characterized as the closest to a European neo-corporatist system, with Etchemendy (2021, p. 57) describing it as 'simply the only instance of stable democratic neocorporatism in any historical pattern of interest representation in Latin America'. As a small, unitary country, the main social sectors are well organized and maintain routine and non-confrontational links with the state, which makes it quite exceptional in a region where political confrontation and polarization have been on the rise. Moreover, its democratic institutions not only are long dated but have remained structured around one of the most stable and poly-classist party systems in Latin America (Chasquetti & Buquet, 2004). Until 1971, when the center-left political party FA was founded, political representation was dominated by two centrist political parties (in existence since the early nineteenth century), which represented more conservative and progressive currents. Since 2005, with the victory of the FA in presidential elections, the Uruguayan political landscape reconfigured around two large blocs with the FA on one side and the two traditional parties on the other, maintaining the balance of preferences in what Queirolo (2020, p. 99) denominated the 'country of the two halves'.

At the same time, Uruguayan politics is characterized by its low level of contentiousness and democratic malaise. Again, its balanced party-centrism is largely

attributed for this, as not only do all parties draw support from multiple strata of society, but labor, business, and civil society channel their demands primarily through the party system. Labor representation is organized around a single, long-standing, and highly coordinated union federation, the PIT-CNT (*Plenario Intersindical de Trabajadores - Convención Nacional de Trabajadores*), which has been allied with the FA on the basis of common objectives, while retaining institutional autonomy (Luna, 2007; Padrón & Wachendorfer, 2017). The FA also operates as the main institutional vehicle for civil society and social movements, with strong party-community links mediating demands and buffering autonomous contention. In addition, although business is fragmented in multiple chambers and lacks a nationwide association, the Uruguayan business sector has historically exercised its voice through political parties, including the left-wing FA—in addition to enjoying other mechanisms of influence, such as control of the media or political campaign financing (Serna & Bottinelli, 2020).

Our argument is that in the Uruguayan case, this configuration is supported by the presence of two broadly institutionalized and socially-accepted mechanisms of state-society coordination and political participation, which simultaneously channel and defuse distributive tensions and reproduce political consensus around both the functioning of the state and the economy: direct democracy and wage councils. The inclusion and frequent use of direct democracy mechanisms such as referendums and popular initiatives, a pioneering innovation among Latin American constitutional orders, has been singled out as a key factor contributing to the country's low democratic malaise (Bidegain & Tricot, 2017). Since the return of democracy in particular, referendums have provided a channel for popular sectors to influence insider politics and exercise veto power on government initiatives, in the process generating incentives for cross civil society coordination, as these mechanisms require the mobilization of large contingents of citizens to be effective (Altman, 2010).

Simultaneously, wage councils—in existence since 1943, although not convened by the executive branch during the civil-military regime and much of the neoliberal governments during the 1990s—have played an increasingly important role in facilitating macroeconomic governance and aligning labor and business interests. This is a highly centralized and coordinated mechanism, led by a Tripartite Superior Council composed of the Ministry of Labor, employer representatives, and the PIT-CNT, which in turn oversees negotiations among sectoral wage councils, also tripartite. Relevantly, the Superior Council acts as a bidirectional channel for policy coordination, as it is tasked with discussing wage guidelines set by the government, which it can reject, while also possessing the capacity to recommend back minimum wage levels to be sanctioned by the Executive. In effect, wage councils have allowed to reconcile distributive expectations with macroeconomic policy objectives, even during periods of economic contraction such as 2015-2019, 'strengthening unions' incentives to cooperate with anti-inflationary policies' (Etchemendy, 2021, p. 66).

In sum, we argue that direct democracy and wage councils have functioned as stabilization mechanisms that have allowed the creation of inclusive and highly stable cross-sectoral development coalitions in Uruguay granting the economic regime 'quasi-constitutional protection' (Ehrnström-Fuentes & Kröger, 2018, p. 207). As no actor has the capacity to hegemonize nor any incentive to seek gains outside these mechanisms, the result is a coalitional configuration that encourages moderation

and bargaining between insiders and outsiders, contributing to strengthening both the state and the social protection system while reproducing consensus around the internationalized and dependent character of the economy.

Technocracy and exclusion in Chile

Like Uruguay, Chile has been one of the countries that has experienced a greater transnationalization of its economy, which has been historically heavily reliant on the export of basic commodities (i.e. silver, guano, copper) and currently has a trade commodity dependence metric of 88%, with mining products representing the bulk of it (UNCTAD, 2023). However, institutionally, Chile differs significantly from the Uruguayan case, and from the Argentine case ahead, in the way state-society relations are organized and the level of access enjoyed by different social groups. Shaped partly by the successful construction of a unitary conservative state, in more contemporary times this economic orientation is associated with legacies of the neoliberal Pinochet dictatorship (1973-1990), which repressed the radical left and organized labor while privatizing the economy, decentralizing industrial relations, and concentrating business power—and leaving behind several ‘authoritarian enclaves’ with constitutional status (Ffrench-Davis, 2010; Garretton Merino, 1995).

As a result of this experience, available institutional mechanisms for mediating differing interests and channeling social demands and discontent have remained quite rigid and limited. Post-dictatorship party competition was organized around two moderate programmatic blocs with shallow identities and decreasing mobilizational appeal across civil society, already before the system went into full crisis with the social upheaval of 2019-2020, (locally known as *estallido social*) (Somma & Donoso, 2022). The center-left *Concertación* coalitions, which ruled four consecutive terms between 1990 and 2010, promoted upward mobility and improved social safety nets but continued to sideline organizational connections with grassroots constituencies, popular sectors, and social movements, with many candidates relying on personalized campaign strategies (Luna, 2016; Teichman, 2009). Organized labor remained weak and fragmented and counted with limited support in mainstream parties, linking mainly with the more leftist and marginal factions, while bargaining at company level significantly discouraged labor coordination (Haagh, 2002; Somma & Medel, 2017). This low ‘associational power’ of popular sectors, particularly relative to business and right-wing forces, has been blamed for the limited progress made by attempts by center-left governments to reform the labor regime (Pérez Ahumada, 2021). Contrary to organized labor, large business groups have high levels of coordination, very close links with political parties, and are highly institutionalized in long-standing associations with high levels of organization and incidence—exemplified by the powerful multi-sectoral CPC (*Confederación de la Producción y Comercio*) (Bogliaccini, 2019; Bril-Mascarenhas & Madariaga, 2019). Moreover, a close relationship between business sectors and political elites not only survived the democratic transition through links with successor conservative parties, but business established close relations with left-wing politicians, mobilizing resources such as direct access to policy makers, campaign financing, or connections with think tanks (Fairfield, 2010).

This exclusive and elitist coalitional configuration was stabilized by a strong technocratic consensus across political elites in relation to public policy, which depoliticized certain areas of economic governance and social policy and removed them from public debate (Silva, 1998; Teichman, 2009). The presence of technocrats is a dated tradition in Chilean politics, also consolidated under Pinochet, who put the radical reforming of the economy in charge of a young group of US-educated neoliberal economists. Since then, all democratic administrations until the early 2010s continued appointing foreign-educated technocrats in important leadership positions, on the basis that sustaining the strong economic growth inherited from the dictatorship was necessary to maintain social stability and legitimize democratic rule—which in turn involved retaining the confidence of economic agents and adopting a negotiated approach to reforms (Joignant, 2011). Thus, technocrats in Chile have functioned as ‘moderating mediators’ between groups that highly distrusted each other, contributing to deactivate ideological clashes between government and opposition (Silva, 1998, p. 83). This technocratic democratic consensus reinforced a general conservative political culture—once again, until recently—where discussing social welfare and poverty reduction strategies did not require ‘politicizing class inequalities, promising distributive measures in election campaigns, or mobilizing popular constituencies outside the electoral arena’ (Roberts, 2016, p. 136).

Our main argument is that this technocratic elitism functioned as a stabilization force that enabled the construction of relatively stable development processes, even when these involved negative distributive effects and cumulative social grievances. As noted by Luna (2016), these coalitions were relatively coherent and horizontally accountable but enjoyed an important degree of vertical insulation—partly due to the fragmentation of interest groups, partly due to the (technocratic) distancing of political parties from society. Consequently, for much of the last three decades, growing external dependence and economic fluctuations did not translate into political instability, enabling the coexistence of a stable political system, a highly dependent economy, and a highly unequal society.

Skewed inclusion and partisan dominance in Argentina

Though the Argentinian economy has a larger and more diversified industrial base than the previous two cases, the dependence of its economy has also increased in recent decades. In fact, while in 1990 the extractive sectors and industry represented 9.1% and 20.3% of GDP respectively, by 2010 the former increased to more than 12% and the latter decreased to 15.8% (Madariaga & Palestini, 2021, p. 219). Moreover, the country has experienced chronic balance of payments and debt crises that have increased its vulnerability to changes in external market conditions and commodity prices, resulting in a highly volatile economic performance and high levels of distributive confrontation (Arza & Brau, 2021). However, this volatility has still allowed prolonged periods where a certain development consensus emerged, though in formats different to the Chilean and Argentine cases. There, again, institutional structures matter.

In effect, contrary to the balanced character of Uruguay or the elitist orientation of the Chilean case, Argentine state-society relations have historically configured political coalitions that are rather fragmented, with multiple mobilized and more or

less organized groups competing for influence and access to the state. The labor movement is a major political actor, and the country ‘is perhaps the archetypical case of labor incorporation through a populist party led by Perón in the early 1940s’ (Etchemendy, 2019, p. 1440). Since then, two federations largely hegemonize labor representation in the private and public sectors, and maintain close if not organic links with the Peronist Party (PJ) or any of its successors—even if conflicts are not uncommon (Levitsky, 2003).³ This strong and well-coordinated labor movement coexists with an active and plural civil society, with several social movements (human rights, unemployed, feminist and environmental, among others) enjoying important horizontal links, high public visibility, and substantial mobilizational capacity (Garay, 2007; Pereyra, 2017). Moreover, both the labor sector and civil society have high levels of representation and possess long-standing linkages with political parties (mostly on the left), and relatively high access to the political system—though this has varied over time. On the other end, business representation remains weak and divided, with corporate associations being mainly ‘movements of small numbers of like-minded capitalists’ (Schneider, 2004, p. 195). As such, they have limited institutional capacity and their influence is highly personalized and aimed at individualized and/or sectoral benefits—while their exclusion by left-wing administrations during the 2000s led some sectors, such as agricultural producers, to turn increasingly contentious (Barlow & Peña 2022; Fairfield, 2011).

In this skewed arrangement, almost a mirror image of the Chilean case, the main stabilizing mechanism regulating competing interests and distributional conflicts has been the hegemonic function of Peronism in terms of structuring political identities and commanding popular support (Malamud & De Luca, 2015, p. 31). Under different denominations and even possessing contrasting programmatic orientations, Peronist parties have for over half a century monopolized the representation of working-class and popular sectors. While this role destabilized all political coalitions until the return of democracy, the ‘impossible game’ noted by Guillermo O’Donnell (1972), it also endowed Argentine industrial relations with a textbook hierarchical imprint, with a party-aligned labor sector and a politically-orphaned business, one drawing on particularized linkages with the government to protect their interests (Schamis, 1999; Schneider, 2004, p. 196). Under democracy, the lasting popular appeal of Peronism has translated into extensive democratic dominance, with Peronist presidents ruling for 24 years between 1983 and 2020 and the party continuously dominating the senate, most provincial governorships, and the majority of municipal administrations (Gervasoni, 2018; Malamud & De Luca, 2015). At the same time, an extensive network of ‘enveloping’ territorial and clientelist links, as well as a strong organic identity, has supported the electoral resilience of the party even during periods of crisis and programmatic erosion, as was the case under the neoliberal Menem presidency (Fierman, 2021; Levitsky, 2003).⁴

This combination of skewed corporatism with electoral dominance resulted in a significant ability of Peronist governments to contain distributive conflicts, defuse social contention, and engage in ambitious reform agendas. Thus, the two most extensive developmental projects took place under Peronist presidents, Carlos Menem in 1989–1999 and the administrations of Néstor Kirchner (2003–2007) and his wife Cristina Fernández (2007–2015), though with opposing orientation. In the nineties, the Menem government was able to implement an aggressive stabilization and liberalization program, which effectively ended five

decades of Import Substitution Industrialization (ISI) in Argentina and modernized major sectors of the economy, without succumbing to gridlock or experiencing governability crises, and even retaining labor's organizational allegiance (Cook, 2007; Levitsky, 2003, p. 228). The Kirchner administrations performed almost a complete 'U-turn' in terms of economic and social policy, implementing an interventionist and protectionist neo-developmental agenda with a strong emphasis on welfare and redistributive policies.⁵ In the process, the government strengthened corporatist relationships and favored unions in wage negotiations, while consolidating connections with major civil society groups, managing to align some of the most contentious social movements and incorporate them into partisan and state structures (Etchemendy & Collier, 2007; Pérez & Natalucci, 2010).

Vulnerabilities and hazards in Latin American coalitions

So far, this article has advanced two arguments. First, we combine institutional and dependency-based insights to consider that Latin American IDDEs face a particular, difficult problem to reconcile the triad of economic dependency, democratic politics, and development, a problem that we see aggravated in recent decades with the consolidation of democracy and the growing primarization and financial vulnerability of local economies. Against this, we contend that these three Southern Cone countries seem to have crafted quasi-stable solutions that stabilize political coalitions and sustain developmental projects, elaborating the importance of context-specific coalitional structures and formal and semiformal stabilization mechanisms by examining three cases that achieved high development indicators in socio-economic terms.

In this section, we emphasize a third point. Although these stabilization mechanisms provide positive institutional complementarities, by their very configuration, they also carry concrete hazards that may destabilize the coalitions they support. Some of these hazards are quite intuitive: for instance, informal and particularistic channels of access to the state are considered more propitious for rent-seeking, collective action problems, and inter-sectoral competition than formal and inclusive mechanisms of participation. In the same line, hierarchical and exclusive structures are expected to be more vulnerable to political contestation than those generated by deliberative arrangements in democratic contexts. But others may be more structure—and context—specific and can be obscured by legacy institutions, policy decisions, and, more often than not, beneficial external conditions. As a result, they may only manifest when these institutions or their supportive conditions weaken. This can happen as a result of external shocks that stress and expose the inherent vulnerabilities of IDDEs, from cyclical slowdowns in the global economy and financial crises to wars and pandemics, as well as of internal events, such as contentious social processes and electoral dynamics, which destabilize social preferences and political cleavages and may influence the direction of social and economic policy.

The idea of hazards is no minor point, as analyses of dependent development tend to focus on external constraints while institutionalist analyses draw attention to institutional deficits and policy failures. Our argument, instead, is that in terms of success and failure, development outcomes are often a product of the closely

interrelated performance of both structure and agency. Table 2 summarizes our conclusions in regard to our three cases.

The Argentine configuration stands perhaps as the most hazardous one. To hegemonize fragmented coalitions, it is necessary to satisfy the demands of a disjointed group of allies and supporters, granting particularized benefits to insiders and adopting high-impact policy commitments for the rest. Maintaining this balance is costly, making this sort of coalition particularly vulnerable to negative changes ‘in the political economy that undergirds it’ (Mazzuca, 2013, p. 115). Facing these problems, the dominant party could try to further embed itself through institutional capture, for instance, by granting some of its policies constitutional status, though this may be impossible in democratic conditions without generating major upheaval. A more viable alternative would be adopting policies that bring short-term electoral benefits at the expense of higher fiscal spending (Gerchunoff et al., 2020). Certain opportunity windows, such as favorable external conditions, could support these ‘populist’ trade-offs over time. However, if these windows are absent or were to close rapidly, the outcome would be a competitive relationship between fiscal resources and policy commitments that could destabilize the economy and eventually affect the coalition’s popularity.

Linked with this, a second set of hazards are partisan polarization and policy instability. The other side of hegemonic politics is an antagonistic relationship with opposition forces and excluded actors, which have incentives to adopt an adversarial stance in relation to the policy commitments and excesses of the dominant party, and promise to reverse them if in power. This can turn democratic alternation into a zero-sum competition that erodes the viability of inter-temporal coordination and makes policy continuity unlikely. A derivative form of this hazard would be the legitimacy and coordination problems faced by an eventual non-hegemonic government, as this would come to power under pressure to contain fragmentation and maintain social stability while adopting policies that reduce fiscal spending or trim popular policy concessions. These problems would be particularly severe if this government lacks the level of social embeddedness of the hegemonic party, either in terms of strong linkages with corporatist actors or the loyalty of important social constituencies.

All these hazards are present in Argentina. As we pointed out, economic dependence manifests often in ‘boom and bust’ cycles that quickly and profoundly modify the economic scenario and severely stress the stability of political coalitions. In

Table 2. Political coalition structures in the Southern Cone.

	Uruguay	Chile	Argentina
Political coalition structure	Coordinated (<i>Poly-classist and highly institutionalized political parties, coordinated socio-economic relations</i>)	Elitist (<i>Highly institutionalized political parties, Low vertical accountability</i>)	Hegemonic (<i>Dominant labor-based party, Segmented and uneven state access</i>)
Stabilizing mechanisms	Direct Democracy Wage Councils Liberal economic consensus	Technocratic-elitist consensus	Extensive party-society linkages
Hazards	Increased external vulnerability due to the transnationalization of the economy	Technocratic de-Insulation, Party System Deinstitutionalization	Populist temptation, Political polarization, Policy instability

fact, although Peronist loyalties go a long way, both the Menem and Kirchner administrations were ousted when the macroeconomic imbalances introduced by their political commitments could no longer be contained by favorable external conditions—cheap foreign debt and FDI flows in the case of Menem, high commodity prices in the case of Kirchnerism. Both experiences ended in a context of economic stagnation and widespread social dissatisfaction, as dismantling expensive policy commitments forced successor administrations to adopt unpopular adjustment programs (Levitsky, 2000; Peña & Barlow 2021). Simultaneously, lacking the same level of popular and territorial penetration, non-Peronist incumbents faced difficulties to sustain their reforms while containing social and political pressure from labor and popular sectors—with the Macri government (2015-2019) being the first non-Peronist democratic government to complete its full term, though losing the reelection (Arce & Mangonnet, 2013). Moreover, over the last decade, institutional erosion, partisan polarization, and substantial policy and macroeconomic instability, including spiraling inflation, not only have convoluted succession politics, but have incentivized the mobilization of different sectors of society, from rural communities and urban middle-classes to new feminist movements, recently witnessing the rise of anti-establishment forces, particularly appealing to disaffected young voters. These phenomena can be expected to aggravate distributive conflicts and augurate growing difficulties for Peronism to (re)hegemonize cross-societal representation—already before the 2023 election of Javier Milei, a radical right-wing outsider, to the presidency.

In Chile, the primary hazard is the erosion of techno-elitist consensus that underpins the capacity of political coalitions to design and sustain policy commitments with limited vertical accountability. This could be seen as problematic in itself, but it becomes more so if we consider that the political marginalization of labor and popular actors took place in one of the most unequal societies in the region, well above the average of Argentina and Uruguay. For as long as these two aspects remained separated, Chilean exclusionary democratic coalitions appeared quite stable and coordinated, even in light of dependency-induced volatility. However, once inequality started to become politically mobilized, escalating from the student protests in 2006 and 2011 into a nationwide social movement targeting the country's political class, the economic model, and even the constitutional structure, the political and social stability of what President Piñera had called a 'true oasis with a stable democracy' collapsed, sending the political system into turmoil (cited in Somma et al., 2021, p. 1). Moreover, once the social mobilization erupted, it did so in a rather acephalous manner, spontaneously including demands linked to groups traditionally marginalized from politics, such as indigenous peoples, gender-based movements, and far-left groups. The dramatic remobilization Chilean civil society experienced in 2019 and 2020, with millions taking to the streets and widespread contention and repression, led mainstream parties to concede to a constitutional reform project that became dominated by outsider forces and independents (67% of the delegates had no party affiliation) (Piscopo & Siavelis, 2023). In 2022, a new leftist coalition won the presidential elections, *Apruebo Dignidad*, led by a former student activist and integrated by previously marginal forces, which came to power with an agenda of social transformation—competing in the run-off against a far-right outsider, the first time traditional party candidates were absent from the ballot (Somma & Donoso, 2022). Although the outcome of these

processes remains to be seen, with society remaining yet undecided on the direction of the constitutional reform, what is certain is that this country is undergoing a process of rupture that, as in Argentina, threatens the main stabilization mechanism that facilitated policy consensus in Chile since the advent of democracy.

The last case is the one that appears most stable. Indeed, the overall structure of Uruguayan highly coordinated coalitions has not experienced any substantial change over the last four decades. In fact, as new social groups with growing advocacy capacity have emerged on the political scene, such as the feminist movement and the LGBTQ movement, they have done so in an organized and rather institutionalized way, building alliances with 'old' capital-labor institutions. What is the hazard of the Uruguayan case? It would appear that this exceptional stability is premised on the ability of political coalitions to keep apart two dimensions in a two-level game: one where institutionalized democratic mechanisms grant voice and provide segmented and non-rival benefits to different local groups, addressing latent distributive tensions and demands in civil society, and one where the state provides institutional guarantees and economic privileges to the main economic forces—national capitalists and foreign investors. For the time being, this separation holds and no actor in Uruguay has so far posed a serious challenge to what one senior government official described as a 'virtuous cycle of investment, growth and social development' (Ferreri, 2015). However, as noted, the Uruguayan small economy is increasingly internationalized and heavily exposed. Therefore, we can think that the hazard that looms is related to the impact of an exogenous crisis, such as a major fall in commodity prices or changes in the global financial business cycle, which would substantially reduce the resources available to meet cross-sectoral demands and aggravate distributional tensions, for instance, between more outward-oriented sectors and more inward-oriented ones—though differences of scale between foreign and domestic capitalists make this unlikely.

Conclusion

In this article we have forwarded the basic idea that, although IDDEs present greater instability than industrialized economies, it may still be possible for development-oriented coalitions to emerge. In that line, our argument reacts against two conventional treatments of Latin American development. On the one hand, we contend against orthodox macroeconomic analyses that seek to identify the 'right steps' enabling developing economies to follow the trajectory of successful developers, if not in Europe and North America at least in Asia, and institutionalist positions that assess the 'incomplete' character of Latin American institutions against the matrix of institutional governance and forms of embeddedness found in core countries. Second, we take issue with certain positions in *dependentista* literature and Latin American structuralism that overextend the relevance of global macroeconomic constraints and crowd out the role of agency, politics, and country-specific politico-economic dynamics.

While we accept that that the global economy conditions politics, in this article we propose that the institutional configurations and related political processes that shape development agendas in IDDEs need to be thought of and examined in a contextualized and situated way: politics matter, but this is not an exogenous force that rules society from above, but rather a product of societal structures and their

history. By doing so, our analysis makes three central contributions to scholarly debates on development and international political economy.

First, our conceptual approach delineates the complex and unavoidable interactions that exist between structural dependence, path-dependent forms of state-society interaction, and situated political processes, which in our cases, are also democratic. In doing so, our article points to the relevance of country-specific political histories, cultures, and coalitional structures for shaping how structural effects are domestically translated and dealt with, and how distributive tensions stabilized, however temporarily. Accordingly, we show that it is possible to build developmental projects in IDDEs, but that this takes specific forms that cannot be assimilated or compared to the experiences of central countries nor can be derived from the structural positions of economic dependency alone.

Second, by studying three concrete cases, we can not only identify different coalition and stabilization models but also move to conceptualize specific hazards within them. In this sense, while we consider all IDDE coalitions are somehow vulnerable, these vulnerabilities also need to be assessed in their own terms. This means that none of these hazards is empirically obvious nor analytically trivial: in IDDE conditions, it is not clear why Chilean techno-elitist consensus would be less problematic than the Argentine fragmented yet more embedded political system, nor why Uruguayan coalitions do not succumb to distributive polarization, as most countries in the region have.⁶ In this regard, we do not look to argue for the superiority of one configuration over another but to advance our understanding of the (dynamic) realm of possibility under which political actors operate, bargain, and struggle, the trade-offs and dilemmas they face, and the logic behind the 'calculated risks' and decisions they make.

Third, our article underlines the potentially problematic relationship between the times of democratic politics and those of development-oriented institutional processes. As discussed, alternative coalitional structures may be sufficient to sustain public policies that require short time horizons for their implementation, such as policies to combat poverty, or the strengthening of some components of social protection systems, as has indeed been the case in certain favorable economic scenarios such as the commodity boom of the early 2000s. However, democratic political dynamics in countries with aggravated distributive demands and high volatility economies make it less likely that these coalitional arrangements can support more profound and longer-term reforms and redistribution processes, on areas such as research and development (R&D), infrastructure, and educational investment, considered necessary for escaping the middle-income trap.

Connected with the above, a final point our analysis brings to light is that the arrow of time matters. Just as external economic volatility can destabilize local coalitions, our argument indicates that local political processes can also alter the viability or 'efficiency' of past coalition-sustaining solutions, for better or for worse. Chilean politics have been struggling to generate the consensuses of the past (however exclusionary), and it seems unlikely that technocratic elitism can be reconstituted in the near future. Similarly, Argentine society faces an unprecedented scenario marked by very high inflation, a pressing need for reforms, and the disarticulation of its long-lived hegemonic party, with Peronism experiencing a crisis of both ideology and leadership, and the current government led by a radical outsider with a patchy and weak coalition (at best) behind him. In this situation,

going back also seems unlikely, but the path forward is less than clear. Uruguay remains the odd case out, though whether this stability is sufficient to resolve the problem of dependent development in the long term remains to be seen. In any case, an extended and integrated treatment of the political effects of economic turmoil and social crisis becomes particularly important to capture the eventual emergence and performance of alternative configurations, as well as to evaluate how coalitional structures and stabilizing mechanisms work in light of changing conditions.

Notes

1. We acknowledge that there are distinct paradigmatic and theoretical currents on development and critical arguments about the value of the concept, alternatives to it, and the nature of the political constructions or coalitions at play, but we consider this discussion exceeds our argument. See Svampa (2019), Madariaga (2020), and Weiss and Thurbon (2021), for reference on different approaches.
2. Similarly, the notion of developmental patrimonialism applied to certain African states such as Kenya, Malawi, and Botswana, points to the importance of traditions of highly personalized rule, narrow links among local elites, and an effective bureaucracy resulting from the role of 'expatriate expertise' in filling post-independence gaps (Meyns & Musamba, 2010).
3. Argentina has one of the highest unionization rates in Latin America and the highest levels of collective bargaining coverage (See ILOSTAT, 2022). The official Peronist party is called *Partido Justicialista* (PJ), though since the 2000s, the PJ coexists with other Peronist formations, such as Kirchnerist ones, that not only have displaced it electorally, but became the dominant Peronist faction since the 2000s.
4. The 'regime stabilizing capacity' of the Peronist brand consolidated even more after the 2001 economic crisis, leaving Peronist factions dominating the electoral arena for over a decade (Malamud, 2015).
5. See Rosenblatt (2016, p. 29) for a list of economic reforms in these two periods.
6. It is not obvious that hegemonized coalitions need to be unstable, as coalitions led by hegemonic parties have achieved 'virtuous cycles of dominance' in other settings, as with Japan's Liberal Democratic Party and Sweden's social democrats up to the 1980s (Pempel, 1990, p. 16).

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