Knowing Your Empire: American Scholars and the Evolution of US–Latin American Studies

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This essay reviews the following works:


It is a treat to review three books that share a focus on serious leadership—in this case the intellectual leadership of seven influential US scholars and their legacies in the evolution of US-Latin American academic relations.

It is a fascinating but complex task. The authors differ markedly in approach, choice of methodology, and style. Ricardo Salvatore’s *Disciplinary Conquest* profiles five important pre-1945 US scholars in an intricate study of knowledge, power, and empire. In contrast, Abraham Lowenthal and Martin Weinstein honor the memory and accomplishments of Kalman Silvert, cofounder of the Latin American Studies Association (LASA), with a collection of tributes from former colleagues and students. Jeremy Adelman’s study of Albert O. Hirschman is a masterful biography of a noted political economist and intellectual who devoted much of his many-sided life (1915–2012) to Latin American development.

Taken together these books range over the entire twentieth century and offer three models of intellectual leadership from successive periods of Latin American studies in US universities. There are points of intersection and each volume adds new knowledge and perspectives as well as contemporary questions. Can we imagine scholars as “public intellectuals” capable of restoring coherence and focus to Western Hemisphere studies? Or does the lush but fragmented discourse today signal a frank recognition that the field is exhausted?

Professor Salvatore, a distinguished historian at Torcuato di Tella University in Buenos Aires, has written an outstanding analysis of the evolution of Latin American studies in the United States from 1900 to the opening of the Pax Americana after 1945. Authoritatively written, it is both theoretically valuable and empirically rich in detailed historical research, essential reading for understanding the crucial role of educational asymmetry and US universities in shaping thought leadership and hegemonic relations in the Western Hemisphere during the twentieth century.

The geopolitical setting is well known: by 1900 South America had become a logical research frontier for US scholars with the dizzying rise of US power before 1914, followed by the severe blow of the First World War to European influence in South America. An unparalleled US-Latin American power asymmetry was in rapid development. Along with power came confidence: Wilsonian idealism provided an intoxicating

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1 The definition of “public intellectual” used here follows Alan Lightman, “The Role of the Public Intellectual,” *MIT Communications Forum*, December 2, 1999. (To advance freedom and knowledge by speaking and writing about your discipline to as wide a public as possible and how it relates to the social, cultural and political world around it.)
framework of ideas for export to South America. It was a tantalizing challenge for every US sector. Business, government, and nongovernmental groups wanted to explore opportunities; American universities were ambitious and poised for expansion. “Many forces were connected in this period,” Salvatore maintains, “including capital and knowledge, research universities and progressive ideals, a cosmopolitan, post-isolationist national outlook and the apparently insatiable quest for knowledge of the outside world” (7).

Disciplinary Conquest interprets the unique US strategy in the architecture of inter-American intellectual and cultural cooperation which took shape before 1945 “with the parallel and complementary expansion of U.S. informal empire and the formation of regional knowledge about South America” (3). Knowledge production and transmission, or the “politics of Scholarly Brotherhood,” as Salvatore terms it, was “functional to the intellectual, cultural and political integration of the continent under US leadership” (134–136). The control of disciplinary knowledge was central “because it imagines the possibility for an endless transfer of the center’s ideas, culture, and technology to the periphery” (57). It was not enough to simply assemble information about South America; the facts had to be channeled within disciplines and interpreted as part of a world view and cohesive narrative to guide future research. With disciplinary definition established in expanding programs of Latin American studies, the major US universities could become academic hubs with spokes to dependent South Americans, mirroring economic and political disparities. They controlled teaching, research, foundations, fellowships, translation, graduate and postdoctoral studies, international networks, and journals—the entire infrastructure of the sector—leaving the South to look to North America. “Subalternizing” South American scholars followed logically from this dependence, complete with stereotypes of character, society, and political culture to interpret the gap between American capacity and assumed regional backwardness and justify the denigration or minimization of their contributions compared with US counterparts (252).

Salvatore’s choice of narrative framework, with five mini-biographies, is of particular interest—risky but very successful in contextualizing his central argument. The period was admirably tailored for US academics to emerge as “public intellectuals” in US-Latin American relations. The five scholars examined by Salvatore were totally confident in their belief in American modernity as the blueprint for South America—that the framework and institutions of US society and culture were its destiny to be adopted quite readily (by the most developed, like Argentina) or more gradually (in the less developed countries) in their journey toward progress. Moreover their travels in South America gave them interlocutor prestige as regional experts competent to mediate and interpret South American realities for public as well as academic or official US audiences, with radio and the print media providing unparalleled opportunity for celebrity outreach and access.

His choice of US scholars combines disciplinary coverage with a broad range of career trajectories and personal history. Archeologist Hiram Bingham (Yale University) was more war hero or explorer than scholar, but he focused American public attention on South America with a dramatic coup de théâtre: the “discovery” of Machu Picchu in 1911. Bingham was a media sensation. “I believe we were the first white men to gaze on the city of Machu Picchu since Pizarro went there 400 years ago,” he gushed to the New York Times, initiating the landmark Yale Expedition Project (YEP) in Peru (75). Geographer Isaiah Bowman was an even more influential academic: president of Johns Hopkins University, he was a respected scholar, a powerful figure in US national research circles and a senior policy advisor to presidents Woodrow Wilson and Franklin D. Roosevelt. His success in mapping Hispanic America between 1922 and 1945 for the American Geographical Society yielded a powerful tool for government and security planners as well as the extractive and transportation industries interested in Latin America. Clarence Haring at Harvard was a leading historian and cofounder of the Hispanic American Historical Review. He anchored a multisector network of policy activists in inter-American relations as well as Latin American studies. Edward Ross, a University of Wisconsin sociologist in comparative social theory, focused attention on Latin America in a global context with influential (if controversial) writings in the first decades of the century.2 Political scientist Leo S. Rowe left his academic appointment at the University of Pennsylvania to become director-general of the Pan-American Union (PAU) from 1920 to 1946. He saw it as potentially “a community of nations cooperating for the resolution of common problems” (154). During Roosevelt’s Good Neighbor Policy, Rowe’s Pan-American vision of regional multilateralism was much in vogue in the United States as a progressive Western Hemisphere view, but it nevertheless masked a new form of empire, self-consciously different from the formal colonial powers in Europe, or from US policy in its Caribbean Basin security zone, but no less imperial.

Professor Salvatore’s work provides a welcome Latin American perspective on the nature of the core-periphery relationship in the knowledge sector between 1900 and 1945, which complemented US

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2 He is notorious for his warnings of the “Asian hordes.”
hegemonic expansion in South America. Salvatore integrates the contribution of his five scholars with theoretical dexterity and economy, but also with balance and fairness. Their activities were not coordinated, but collectively their work contributed to laying a foundation for Latin American studies in the United States before 1945; once established, the framework would survive the frigid Cold War years. The period also established the mystique of US universities, particularly the first-tier Ivy League schools, among Latin American graduate students in building successful academic and political careers—a potent and long-term soft-power capability in the US inter-American arsenal. All five concerned themselves with US foreign policy toward the region; all collaborated with the state department or other government agencies.

Disciplinary Conquest is a pleasure to read, each page with surprises that enrich the author’s project; readers will admire the meticulous detail of his research. Readers may, however, question the scope of the US “disciplinary conquest” of South America before the Cold War period. Cultural connections with Europe were still strong before the Second World War. Brazil invited Fernand Braudel and Claude Lévi-Strauss (with other European scholars) to assist in the founding of the University of São Paulo in 1934. In Argentina, Raúl Prebisch, who would become Latin America’s most influential economist, enrolled in the Faculty of Economic Sciences in Buenos Aires in 1918 only to find professors slavishly imitating British models with little interest in local realities. Here also, cultural relations followed dominant economic ties, but to the United Kingdom rather than the United States.

Kalman Silvert: Engaging Latin America, Building Democracy shifts the focus to the post-1945 Cold War period in US-Latin American relations. Lowenthal and Weinstein extol Silvert for his “pioneering influence” as “one of the founding architects of Latin American studies in the United States . . . when “the relatively new field . . . took root” (35–36). Salvatore would be horrified; his main conclusion was that Latin American studies were already well-established in the US during the 1900-1945 period, long before the Cuban Revolution. But Kalman Silvert is explicitly not a volume of critical scholarship; by genre it is a tribute book with admiring contributions from ex-students, university coworkers, and colleagues Silvert met or worked with at the Ford Foundation. Collectively they risk repetition and competitive superlatives (and the absence of any women authors is notable), but the coeditors do succeed in reviving interest in this important personality.

Born in 1921, Professor Silvert served in North Africa during the Second World War and did not experience the positive climate of the Good Neighbor Policy and US–Latin American wartime cooperation. Instead he began teaching in political science at Tulane University in 1948 (moving to Dartmouth College in 1963), and this Cold War timing is important in understanding his career. He witnessed firsthand the growing polarization in US–Latin American relations and its negative impact on university capacity to understand the region, build durable ties with Latin American scholars, and underpin US policy making. He was an enthusiast for Latin American studies from the beginning, not only in the classroom but also in his eight years of field experience where he worked and directed the American Universities Field Staff in Chile, Argentina, and Guatemala. Silvert’s personal warmth and activism were rewarded with respect; for many Latin American colleagues he personified the “Good American,” teaching, exploring research linkages, and building institutions for dialogue across boundaries and disciplines. In 1966, with Ford Foundation funding, he cofounded LASA as a permanent interdisciplinary forum for US and Latin American academics. It is not surprising that LASA created a Distinguished Service Award in Professor Kalman Silvert’s honor (1981).

The twin shocks of vice president Richard Nixon’s failed 1958 visit and the far greater crisis of the Cuban Revolution in 1959 changed inter-American academic relations. Now Washington and the major US foundations leapt into action with a major and sustained buildup of Latin American studies to counter a perceived communist threat to the region. A new period was under way: the US “disciplinary conquest” resumed for the next thirty years with massive funding from the Ford, Rockefeller, Carnegie, and other foundations, often in cooperation with government agencies. Silvert was part of this wave; his connection to the Ford Foundation began in 1959 when it launched its Office for Latin America and the Caribbean (OLAC), and he was a member of its first regional mission. The connection deepened in 1967 when he was appointed professor at New York University, while also serving as program adviser in Social Sciences for the Ford Foundation’s Latin and Caribbean Office. Until his untimely death in 1976, he enjoyed the most desirable career balance: academic tenure, for scholarly reflection, and a position in a powerful foundation to make things happen in Latin American studies and beyond as a public intellectual.

The contributors agree that Silvert was a broadly focused scholar who, like Leo Rowe a half-century earlier, believed that broadening social science education would strengthen the prospects for democracy in Latin

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3 Such original thinkers as sociologist Florestan Fernandes and Fernando Henrique Cardoso were products of the University of São Paulo.
America (Salvatore, 107). Although not a leading thinker compared with contemporaries like Guillermo O’Donnell or Fernando Fajnzylber, he was a terrific teacher. Ex-students in the volume, many themselves emeritus, offer touching snapshots: he was committed, well prepared, enthusiastic, honest, and unafraid of controversy; he challenged students to think critically and develop their potential to the full; his office (and home) were always open to students; and most important, his mentoring inspired and drew students to careers in Latin American studies.  

Silvert was also an important asset for the Ford Foundation. According to retired program officers Peter S. Cleaves and Richard W. Dye in this volume, his hiring made a difference in shifting Ford’s programs toward the social sciences, upgrading disciplines in more than twenty universities. He also expanded the foundation’s credibility in the region. “[His] academic prestige, intelligence, relationships with several leading intellectuals, and affection for the region,” according to Cleaves and Dye, were “of great value in gaining acceptance of the foundation despite continuing suspicions in leftist quarters” (112). Silvert’s work after the 1973 military coup in Chile earns special praise from Chilean ex-president Ricardo Lagos, a young academic in Santiago at the time, under threat from the Pinochet regime. The Ford Foundation facilitated the escape of academics, helped locate placements for them, liaised with the Social Science Research Council (SSRC) and the many other US and international agencies involved in the large post-coup Chile operation, and extended funding to independent research centers such as CIEPLAN (Corporación de Investigación Económica para Latinoamérica).

Finally, Lowenthal and Weinstein emphasize Silvert’s policy catalyst role in strengthening US–Latin American relations. It was an opportune time for public intellectuals with open and generous personalities like him. The Cuban Revolution and growing social conflict in both the United States and Latin America had created a large potential US audience for respected Latin American experts, and the media needed informed commentary to interpret the increasingly complex inter-American scene in the 1970s. Silvert enjoyed visitors and public events as much as teaching; his sincere belief in power of the American dream was reassuring; and his advice was increasingly sought as his recognition and reputation expanded. The traditional public advocacy tools of expert roundtables, networking, and multisector dialogue were still effective—in fact, with the advantage of early-stage television, they had not changed much since Clarence Haring’s years at Harvard before 1945.

After the shock of the Chilean coup in September 1973, Silvert’s public intellectual work accelerated and broadened beyond the Council on Foreign Relations to newer organizations like the Council on Hemispheric Affairs (COU). He was also one of four academics invited on the landmark 1974 Linowitz Commission on United States–Latin American Relations to seek a new approach beyond the 1976 presidential elections. Silvert believed in replacing hegemony with partnership and integrating human rights, and these ideas were incorporated in the commission’s final report presented to president-elect Jimmy Carter calling for “a more equitable and mutually beneficial structure of inter-American relations.” His work continues, Lowenthal concludes, leaving no doubt that his creation of the Inter-American Dialogue and the Latin American Program of the Woodrow Wilson Center also reflect Kalman Silvert’s legacy (104).

The one-dimensional admiration of the contributors to Kalman Silvert accents Silvert’s successes, but so narrow an approach risks a missed opportunity to explore unresolved questions underlying his undoubted accomplishments. The Ford Foundation’s work in Latin America (like the other big US research funders) was both powerful and ideologically driven after the Cuban Revolution. What was Silvert’s thinking on social science funding and institution building, like the “Chicago Boys” before and after the Chilean coup, or on the admissible range of Ford’s support for leftist opposition to Pinochet? Silvert was among the most liberal within the organization, according to Inderjeet Parmar, but how does his role and influence compare with other officials in the Ford Foundation in the ultimately successful post-Pinochet transition strategy incorporating human rights and democratic development? Recent work suggests a rather more complex personality and activism than indicated in Kalman Silvert.

Jeremy Adelman’s Worldly Philosopher: The Odyssey of Albert O. Hirschman is a remarkable achievement—intuitive, splendidly written, and a fitting monument to a life of courage and resilience through extraordinary times. Albert O. Hirschman was a political economist of the highest caliber; the counterpart in Latin America

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1 See, for example, the comments of Lowenthal (100), Louis W. Goodman (147), and Morris Blachman and Kenneth Sharpe (156–157).
2 Modeled on CEBRAP (Centro Brasileiro de Análise e Planejamento) created in 1969.
3 Commission on United States–Latin American Relations, 1974, p. 53. Quote by Lowenthal, 104.
would be Raúl Prebisch. Distinction of this magnitude requires a correspondingly superior biography, successfully delivered by Professor Adelman.

Albert Hirschman was very much unlike the other scholars examined so far in this review, with a European perspective on North and South America and inter-American relations. The “Western Hemisphere” was a geopolitical myth, he would claim, and he objected to the “sentimental one-worldism” and hypocritical cant of the so-called special relationship or spirit of Pan-Americanism. Instead, he called for the frank acceptance of diverging US and Latin American values, inherent in different levels of development, but not at the expense of close inter-American relations. Quite the opposite. Hirschman wanted a new approach to deepen relations with Latin America: his problem with “special relationship” advocates was not goal but strategy.8

Biographies can be the most intimate of literatures, and Professor Adelman’s is no exception. The first half, spanning Hirschman’s early years from his birth in Berlin in 1915 until he arrived in the United States, reads like an Eric Ambler thriller: a youthful happiness within his closely knit Jewish family shattered by the Nazi takeover in 1933, when Albert, recently enrolled in university at age seventeen, immediately left for Paris in an eight-year odyssey across European borders. The drumbeat of approaching war and escalating cross-border danger culminated in heroic undercover work in Marseille after the fall of Paris with Varian Fry’s Emergency Rescue Committee before escaping by foot across the Pyrenees to neutral Spain, reaching the United States on January 13, 1941.

If Kalman Silvert was molded by the Cold War, Hirschman was a product of these years of European fascism, vitally important in understanding the conceptual and analytical boundaries of Hirschman’s later career. His first consistent trademark over the course of his long life was a worldview driven by this experience of cultural cataclysm: a rejection of all ideologies and comprehensive schemes, an ingrained skepticism toward grand designs and paradigms of any variety. He sought “petites idées” not messianic blueprints, and pragmatism and “reform-mongering” over the class- or race-based fantasies of transformation he experienced firsthand in Europe. His focus was on the immediate and the possible; projects rather than programs; the role of personality, ideas, perceptions, chance and luck; on the unexpected and unintended, and the sometimes huge consequences of apparently small change. The second indelible imprint was leadership style: after years of perilous work Hirschman had both an implacable will to succeed and acute skills in networking, confidence building, and negotiating.

Although Hirschman arrived in the United States with a Rockefeller Foundation fellowship covering a two-year tuition and living allowance at the University of California at Berkeley, he came relatively late to Latin American studies. War service in North Africa and Italy from 1942 to 1945, followed by work designing the European Recovery Program (ERP) covered his first decade as a US citizen. When job prospects in Washington dried up, he accepted a World Bank contract in 1952 as senior policy advisor in Colombia. Two years later, when it expired, he remained in Bogotá with his family as a private consultant, unhappy and yearning for a future in the academy.

When Yale University hired him as Irving Fisher Research Professor in 1956, a position renewed for a second year by the Rockefeller Foundation, Hirschman had the nonteaching opportunity he needed for writing his Strategy of Economic Development.9 Based on his Colombian experience, it challenged the widely held theory of “balanced development,” arguing that no country could possibly prepare all the prerequisites for a comprehensive plan in advance. Instead development to be successful in actual practice should be viewed as inherently “unbalanced”—as a complex process of change requiring sequential sectoral advances rather than a single economy-wide “big push.” The book’s success owed as much to its style as its theoretical content. Short and readable, the text conveyed a distinctive Hirschman tone: warnings against false hope of miracles and easy solutions; insistence on meeting tensions with realism and confidence; but optimism that (with foreign stopgap assistance) developing societies will succeed. He also wrote to be read, with the dexterity of a practiced essayist, enlivened with memorable metaphors and flowing style, and unapologetically multidisciplinary with minimal mainstream jargon. Although criticized for failing to reference ECLA (United Nations Economic Commission for Latin America) scholars for their earlier and similarly pioneering work, the book established him as a leading development economist.10

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10 Celso Furtado, Brazil’s leading economist, wondered if “it was Hirschman’s purpose to ignore the contributions of that institution” to the study of underdevelopment in Latin America. . . . there are still many influential economists among us who are only able to grasp the reality of the world we live in if they have in front of them a text in English language published by a prestigious university.” Hirschman later maintained that he was unaware of that literature when he wrote his Strategy. Journeys toward Progress: Studies of Economic Policy-Making in Latin America (New York: Twentieth Century Fund, 1963), 213 n. 1. See also Mauro Boianovsky, “Celso
Hirschman’s career was not yet launched, but it was close. He continued with research at the RAND Corporation in California with Rockefeller support, and then his breakthrough event as establishment economist and favorite son of the foundations arrived—anchoring a high-level working group for the Twentieth Century Fund at Columbia University in 1959–1960. The timing reflected US panic after the Cuban Revolution; the membership of the working group included the major funders and leading scholars. Appointments and books followed quickly: his immediately successful *Journeys toward Progress* advocated “reform-mongering” or pragmatic change, rather than succumbing to the “temptations of extremes” of social revolution or the pure market (503). In 1964 Harvard appointed him its Lucius N. Littauer Professor of Political Economy. His next book (*Development Projects Observed*) was notable for introducing a new concept in development thinking: the “Hiding Hand” (stumbling into achievement) as opposed to the “Hidden Hand” as featured in orthodox economics textbooks (400–401). Hirschman was making up for lost time. The twelve years between 1958 and 1970, when his bestseller *Exit, Voice, and Loyalty* appeared, elevated him to the first rank of US scholar celebrities in the field. In 1974 Hirschman was invited to join the permanent faculty of Princeton’s Institute for Advanced Study, the most coveted academic home of all, the destination of Albert Einstein, John von Neumann, J. Robert Oppenheimer, and other thinkers of global stature. “The goal,” Adelman tells us, “was to spare great minds the tedium of real-world constraints, particularly all teaching responsibilities” (493). Henceforth, his writings would be carefully followed, his mentoring role privileged, his advice eagerly sought. “It would be hard to imagine,” Adelman concludes, “a social scientist enjoying so much respect in so many corners of the world than Hirschman” (501–502).

In Latin America he was increasingly a star. His writings and reputation, combined with Princeton’s status, yielded a position of unrivaled prestige for attracting and mentoring Latin American scholars as well as advising foundations, international agencies, and leading personalities in the region. Future leaders like Fernando Henrique Cardoso, José Serra, Guillermo O’Donnell, and Alejandro Foxley were struggling through the 1964–1989 era of military dictatorships, searching for solidarity and new theoretical approaches; they found solace in Hirschman’s skepticism of grand solutions and his counsel of pragmatism and hope. Avoid the paralysis of excessive pessimism (*fracasomania*), he would counsel, remember that periods of crisis are particularly rich in concealed opportunities and that apparent dilemmas yield multiple and unexpected outcomes. And even the most intransigent leaders may change their minds, he noted, don’t forget that human nature subverts predictions (even one’s own). Above all, don’t fear failure: it is a normal prerequisite for success.

Hirschman at first glance would seem the antithesis of a public intellectual—most unlike Kalman Silvert. Personally reticent and touchy when criticized, he was neither gregarious nor media driven. His public lectures were awkward. He disliked teaching and avoided where possible the role of managing projects and institutions (or working for the Alliance for Progress) to concentrate on quiet study and writing. But his style was all the more effective as a public intellectual in the post-Silvert period of antagonism and polarization for being subtle, indirect, and focused on an elite group of future leaders rather than a broad audience. Cosmopolitan and elegant, Hirschman was an influential figure in US academic and foundation circles, and therefore an invaluable support for research fellowships, journal access, and career placements. His assistance to scholars in Chile after the military coup in 1973, serving on the advisory board of CIEPLAN, and visits to other vulnerable research centers during the Southern Cone dictatorships, deepened that gratitude into an intense lifelong loyalty. Albert Hirschman’s guru role demonstrates the continuing vitality of knowledge networks and universities as sources of US influence despite the impressive growth of higher education and internationalization in Latin America. It also underlines the potential of a distinguished US scholar for shaping social science research design within a network of young and gifted Latin colleagues. Hirschman’s impact was impressively wide-ranging; he wrote across disciplinary boundaries and fields with so idiosyncratic a focus that he left no “Hirschman school.” A comparison with Raúl Prebisch may be useful in interpreting Adelman’s image of Hirschman. They were remarkably similar in many respects—not only in intellect, intensity, old-world charm, ability to think outside the box, and rejection of fascism and communism. Both played with words and durable metaphors to communicate complex concepts: Hirschman’s “possibilism,” “reform-mongering,” “backward and forward linkages,” and “hiding
hand”; and Prebisch’s “core and periphery,” “smart state,” “new international economic order,” and “trade gap.” Both were cross-disciplinary; both challenged conventional economics. But their different worlds (Berlin vs. Tucumán, Argentina) and formative events produced contrasting modes of analysis. Hirschman was marked indelibly by European fascism; for Prebisch (fourteen years older) the shock was the Great Depression. Hirschman was a classic intellectual, while Prebisch abhorred the life of a solitary scholar. Hirschman was a brilliant “ideas person” within a privileged academic culture; Prebisch was a "doer," outside the elite networks, who tested his ideas by creating and managing large institutions in Argentina, Latin America, and Geneva. Neither, interestingly, had a PhD in economics. Probably the two most interesting personalities in the field of development economics in the Americas, North and South, they approached economic development from opposite ends of a telescope.

Raúl Prebisch is considered the founder of Latin American structuralism, a set of ideas he promoted after 1950 as the executive secretary of ECLA. Structuralist theory challenged the bedrock orthodox liberal notion that the global markets functioned equitably—that the “periphery” (Latin America) shared equally in the benefits of free trade and open capital flows. Prebisch argued that the region, comprised entirely of commodity producers, lacked autonomy given an unequal exchange and overall power imbalance vis-à-vis the “centre,” or industrial powers. Even well-functioning markets were not enough. Under Prebisch’s charismatic leadership ECLA’s team of young economists theorized a uniquely Latin American approach to development which included an activist state to reduce external vulnerability, accelerate industrialization, and oversee a transition to social integration and high productivity activities.14 In a reversal of Salvatore’s argument, Santiago emerged as the most exciting center of development studies in the Western Hemisphere during the 1950s, while the US endured the shadow of McCarthyism.

The “ECLA thesis” was grounded in practice: decades of Prebisch’s work as deputy minister of finance in Argentina during the Great Depression, his participation in the failed World Economic Conference of 1933, the bitter taste of an unequal trade agreement imposed by Britain, leadership of the Argentine Central Bank from 1935 to 1943, and his work with the US Federal Reserve in the 1940s. ECLA after 1950 had to be pragmatic and moderate to maintain support; it was a UN agency supervised carefully by governments including the US, Britain, and France. Its work was collaborative, with economists from the North as well as Latin America. Above all it was an open system, modernized in the 1980s in a major reformation as neostructuralism to accommodate regional change but retaining Prebisch’s core concepts.15

But in 1961 Hirschman dismissively cast structuralism as “ideology,” ignoring its origins in Latin American experience and evolution as a distinctive and open development framework. In line with the view of Washington in the 1950s, he labeled ECLA as “emotion-ridden . . . militant . . . removed from the real world . . . with a utopian ring . . . both pathetic and subtle”; he patronized Prebisch by questioning whether ECLA’s theoretical work was original at all, or “derived” from “Western” economists.16 Greater acquaintance with ECLA’s work in subsequent years moderated Hirschman’s views, but from the military dictatorship years of the 1970s Hirschman increasingly pressed Guillermo O’Donnell and others in his Latin research network to break with ECLA’s framework of external vulnerability (477–480). He counseled “a fundamental change in intellectual coordinates” toward “a highly conjectural style of analysis,” thereby freeing the social sciences from an “obligatory bow to peripheral capitalism or global forces.”17

By 1989 Hirschman was optimistic: the failure of Soviet communism, the approaching end of military dictatorship in South America and a partial solution to the debt crisis of the 1980s—all pointed toward an emerging consensus on democracy and market capitalism in Latin America, away from structuralism. When he returned from a triumphant invitation celebrating the restoration of democracy in Chile in 1990, he received the Kalman Silvert Achievement Award from LASA. It was an opportunity for Hirschman to praise the new “pragmatic daring” in Latin America and the approaching “end of ideology” in the region. Written in 2012, Professor Adelman’s biography shares Hirschman’s enthusiasm: “Until about 1980,” Adelman writes, “the heavy hand of structuralism and fracasomania dominated perception and practice across the spectrum.

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14 The core concepts include countercyclical macroeconomic policy to manage vulnerability; diversification of production structures; and a consistent industrial policy to stimulate investments and entrepreneurship to support the transformation process.
Now, having delivered self-fulfilled legacies of deindustrialization, wasted oil-bonanzas, and inflation and debt all around, here was an opportunity to pull possibilities out of the wreckage” (624).

The actual record is quite different. The years between 1950 and 1980, precisely Adelman’s “heavy hand of structuralism” period, stand out as the decades of 5.5 percent annual growth—unmatched either before or since, notwithstanding well-known mistakes and excesses. Hirschman’s apparent belief that Latin America would prosper in the new period of “pragmatic daring” he predicted in 1990 has failed. Differentially applied, the neoliberalism program—unilateral trade opening, financial deregulation, and privatization—dismantled state development capacity essential for growth. Since then regional growth has stagnated. Until the late 1970s, productivity growth in most developing regions kept pace with developed economies; but since the 1980s Latin America has the lowest rate of capital accumulation in the developing world. From the most successful case of industrialization before 1980, with a high degree of diversification and sophistication, Brazil’s industrial sector declined with premature deindustrialization cutting its share of GDP in half. The Global Financial Crisis (2007–2008) and the boom-and-bust commodity supercycle from 2002 to 2014 have further reinforced the reality and perils of vulnerability. The result has been a revival of Prebisch’s core concepts of neostructuralism amid the current uncertainties of restoring sustainable human development in unstable times.18

Latin America and the Caribbean will require bold and innovative thinking on markets and the state, and the many insights of Albert O. Hirschman, so ably presented by Professor Adelman, will definitely inform this work. But “reform-mongering” alone will not suffice for a long-term, consistent, and global policy framework to build technological capacity. Occasionally a grande idée is as important as petites idées.

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Author Information

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18 See also Alicia Bárcena and Antonio Prado, eds., Neo-structuralism and Heterodox Currents in Latin America and the Caribbean at the Beginning of the XXI Century (Santiago: Economic Commission for Latin America and the Caribbean, ECLAC, 2016).