1. Among the great transformations that the world has experienced in the last decades, one of the most important was the transition from capitalism to its neoliberal era. There were so many transformations, that one can say that there has been a **change of historical period**.

2. The **first change** was the transition from a bipolar world to a unipolar world, under American imperial hegemony. A radical transformation took place: the product of the disappearance of the USSR and the socialist camp at the end of the cold war. The USA has been able to enjoy economic, political, technological, military and ideological hegemony since then. This hegemony has been so great that democracy has been reduced to liberal democracy and economy to capitalist market economy.

3. The world went from being bipolar, with two systems disputing hegemony, within the framework of areas of more or less determined influence, to a unipolar world. The so-called Pax Americana was imposed. There was a return to a unipolar world, like in the nineteenth century, but this time not under British hegemony, but North American hegemony. The US considered that there were no longer limits to its areas of influence. The countries of eastern Europe and, to some extent, Russia itself, became areas of direct US influence, which immediately expanded NATO towards the borders of the former USSR.

4. The charm of the ‘Pax Americana’ did not mean a period of peace to the world. On the contrary, the conflict resolution policy was intensified through warfare, especially in the Middle East, where conflicts have deepened and deepened for Afghanistan, Iraq and Syria.

5. In the same way, the passage from capitalism to the neoliberal model, despite its promises, did not represent the resumption of an expansionary cycle of the economy. On the contrary, it entered a long recessive cycle, in which it is still today, with no horizon of improvement.

6. The **second change** has been the passage from a long expansive cycle of capitalism to a long recessive cycle. From the end of the Second World War to the 1970s capitalism experienced its heyday, in which all sectors grew – the USA, Germany, Japan, USSR, Latin America, in what Eric Hobsbawm called the “golden age” of this system. When this model was exhausted, liberalism resurfaced and managed to impose a new liberal market model. If during the previous period the axis of the economy was the large multinational corporations –of which the automobile industry was the model–, in the new period, with the general liberalization, the axis became the financial capital. No longer
the financial capital that finances the production, the consumption, the investigation, but that which lives of the speculation, and the buying and selling of papers. As stated by Marx, capital has not been made for production, but for accumulation. If it profits more from speculation, it will move there. There has been a massive migration of capital from the productive to the speculative sphere, turning the financial capital and the banking system into the backbone of capitalism on a global scale.

7. As part of this movement, the third change was the passage from a hegemonic regulatory, or Keynesian or welfare model, in which, at least formally, the state assumed the responsibility of guaranteeing the rights of the people, to the neoliberal model, a model of the wild competition of all against all.

8. This set of transformations has imposed a huge backlash in the correlation of forces, in favor of the major capitalist powers and of the large international economic corporations. There has been a weakening of the state, of politics, of economic planning, of parties, of unions, and of the collective forms of action and the resolution of the problems of society.

9. There has been, in its place, the projection of the enterprise and the market as central phenomena. Capitalism has resumed its historical process of commodification of all social relations, at the expense of the rights of the people. The state, in the words of George W. Bush, was no longer the solution, but the problem.

10. Neoliberalism proposes the centrality of the opposition between the state and private sector. It is a false opposition. They want, after destroying the state, to promote the sphere of the market, disguised as the private sphere. The sphere of neoliberalism is the mercantile sphere. They want to commodify everything, to build a society in which everything is priced, everything can be sold, everything can be bought, everything is a commodity. In this sphere, the subject is the consumer, which is defined by its purchasing power. The shopping mall thus becomes the utopia of neoliberalism.

11. The state sphere is not opposed to the mercantile sphere. The state can be ruled by different interests. The alternative sphere is the public sphere, the sphere of rights, in which the subject is the citizen, defined as the subject of rights. The State is an area of dispute between public and mercantile interests. One can assess the advance of neoliberalism in a society by the advancement of commodification and the retreat of rights. One can assess the retreat of neoliberalism by the advance of the rights of all.

12. In this new historical period, Latin America has become a privileged victim.

13. The continent had lived the most important period of its history since the reaction to the
crisis of 1929. From then on, taking advantage of the withdrawal of the central economies of capitalism, especially the North American and British, a project of industrialization, urbanization and construction of national states, which profoundly transformed Latin American societies, took place, especially in the more developed ones: Mexico, Brazil and Argentina. But other countries did also experience these transformations, although to a lesser extent: Colombia, Peru, Venezuela, Uruguay, Chile.

14. During this period, alongside the constitution of national states, nationalist and popular leadership projects were developed that would mark the political history of the continent for several decades. This period continued during the Second World War and the Korean War, when it showed signs of conclusion, of which the most evident demonstration was the ending of the Vargas (1954) and Peron (1955) governments. In this period, popular parties, syndicates, as well as nationalist and socialist ideologies were established and strengthened.

15. It was a very troubled time on the continent, with several attempts of military coups, based on the National Security Doctrine, formulated by the United States, which finally came to fruition in 1964 in Brazil, continuing in Uruguay and Chile in 1973 and in Argentina in 1976. They were regimes that struck hard at the popular movement through hard repression. Thus, the conditions were prepared for the neoliberal governments of the 1980s and 1990s.

16. Latin America was directly affected by the great transformations that the world suffered in the last decades of the 20th century. Three negative effects affected it: the first one was the debt crisis, which occurred between the late 1970s and the early 1980s. A crisis that ended the long period of economic development that began in the 1930s as a reaction to the crisis of 1929. All countries were affected by it, when the United States increased the interest rates brutally, and produced the deep indebtedness of all the economies of the continent. All the economies in the continent became deeply indebted and dependent on the IMF and on the conditions imposed by their letters of intent, the lion’s share of business, which passed on to most of the continent’s countries.

17. The second important effect were the military coups in some of the most important countries of the continent: Brazil (1964), Uruguay (1973), Chile (1973) and Argentina (1976). Horror regimes struck hard the fighting capacity of the popular movements, preparing the conditions for the third effect. It was the regimes of military dictatorship, which imposed economic programs sustained on the interests of great national and international capital, as well as policies of systematic repression of popular movements,
at the same time in which they made an unconditional alignment with the United States.

18. The **third one** was the neoliberal governments. Latin America was the continent with more neoliberal governments in its most radical forms. A country like Chile, which before was a model of social rights policies, has become one of the unequal countries in the continent, with its higher education becoming paid, privatization of social security, among other huge setbacks. Argentina, which was self-sufficient in energy, privatized state-owned oil company and went on to pay the burden of having to buy gas abroad.

19. As a result of these regimes, the unequal character of the societies of the continent was further deepened, with systems of social exclusion, concentration of income, rising poverty and misery across the continent. At the same time the popular movements were deeply weakened by the effect of repression. Latin America reached the end of the 20th century as one of the worst moments of its history.

20. Due to being the region of the world most battered by neoliberalism, Latin America has become the only region in the world with anti-neoliberal governments and autonomous regional integration processes in relation to the USA. In Venezuela, Brazil, Argentina, Uruguay, Bolivia, and Ecuador, governments have emerged with programs that address the central issues of neoliberalism.

21. There are three common characteristics of these governments: the priority of social policies and not the fiscal adjustment, the priority of the processes of regional integration, South-South exchange and not Free Trade Agreements with the USA and the rescue of the active role of the State, rather than the centrality of the market.

22. In one of the unequal continents of the world, popular governments must privilege social policies out of necessity. Adjustment of the public accounts was done to provide resources for the social policies. Social policy that produces income distribution is still the increase in wages above inflation and the creation of jobs with labor contract. But since many people are outside the formal labor market, these governments have developed innovative social policies for the distribution of income that, in contrast to worldwide trends, have significantly reduced social inequalities, poverty, and misery and to promote social inclusion, with the enlargement of the domestic market for popular consumption.

23. At the same time, these governments have recovered the active role of the State, both as an inducer of economic growth, as a guarantee of the social rights of the mass of the population. They have also changed the position of these countries in the world by prioritizing regional exchanges and regional integration processes – through the
strengthening of Mercosur and the founding of Unasur, Celac, among other organizations, instead of Free Trade Agreements with the USA.

24. As a whole, these countries have lived for at least a decade the most virtuous political periods in their history, projecting popular leaders in the world such as Hugo Chavez, Lula, Nestor and Cristina Kirchner, Pepe Mujica, Evo Morales, and Rafael Correa, promoting policies of national sovereignty in each of their countries.

25. Some of these governments are – or were – anti-neoliberal – Brazil, Argentina, Uruguay. Others – Venezuela, Bolivia, Ecuador – have set for themselves not only the goals of anti-neoliberalism but also those of anti-capitalism and socialism.

26. The anti-neoliberalism of these governments has (or had) in the public sphere its strategic element. It opposes the strategic goal of capitalism: commodification. To build and to strengthen the public sphere – public education, public health, public banks, among many other instances – is to strengthen not only anti-neoliberalism but also anti-capitalism. Socialism is, in essence, the generalization of the public sphere, the generalization of rights for all, the transformation of all into citizens, free and equal.

27. The existence of these governments places the struggle for socialism in Latin America on a new level. They highlight some lessons:

a) That the left of the 21st century in America Latina is, above all, an anti-neoliberal left. That the neoliberal era of capitalism is the historical stage from which the historical -economic, political, social, and ideological- conditions are placed, from where the anti-capitalist and socialist struggle in the 21st century is replaced.

b) That the struggle for socialism has in the public sphere its central space of accumulation of strategic forces for the construction of the new society.

c) That the refoundation of the new state requires the centrality of the public sphere.

d) That the process of Latin American integration and South-South exchange is the international strategic framework in which the construction of socialism in Latin America must take place.
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