

---

# A Comparative Study of Corporatism in Jamaica and Venezuela

---

Shelliann Powell  
University of Georgia

*This study demonstrates that corporatism is a versatile system of structuring state-society relations in countries with weak to non-existent civil societies. The case studies of Jamaica and Venezuela refute Stepan's (1978) hypotheses of the conditions that are necessary for inclusionary and exclusionary corporatism to flourish. Case study research of Jamaica (1945-1989) shows that resource and coercive capabilities are not necessary for the development of inclusionary corporatist regimes and Venezuela (1958-1999) demonstrates that political polarization is not a prerequisite for exclusionary corporatism.*

The term “corporatism” evokes images of government efficiency and effectiveness reminiscent of a streamlined, profit-accruing business. Unfortunately, the reality of corporatism, particularly in the countries of Latin America and the Caribbean, rarely reflects these normative ideals. Oftentimes, corporatism in the countries of the Southern hemisphere accentuates existing social cleavages and integrates the most powerful societal groups into government as a form of societal control.

Corporatism has long-existed on the political landscape, tracing its origins to a time as early as the eighteenth century, when representatives of the clergy, the nobility, and the citizenries formed closely knit groups, standing for fairly well-defined material interests and often possessing homogenous ideologies within government (Landauer 1983, 7). Since then, corporatism has developed numerous definitions, types, and manifestations, all of which can easily overwhelm the novel comparativist. Scholars have argued the existence of historical/natural corporatism as well as an ideological corporatism that was well-suited to the socio-historic context of Latin America (Dealy 1974, 71-78; Stepan 1978, 4; Wiarda 1997, 16). These scholars claim that corporatism would thrive in societies that emphasize solidarity, group identity, and community (Wiarda 1997, 16). The Catholic tradition of these countries was assumed to favor an organized society, one in which society's component groups would be incorporated into the ruling apparatus of the state (Wiarda 1997, 16).

However, this study uses Schmitter's (1974, 86) definition of corporatism as a system or attitude representation that characterizes a particular institutional arrangement linking the associationally organizing interests of civil society with the decisional structures of the state. Schmitter (1974, 90-92) contends that corporatism is not related to any particular socio-historical or ideological factors, but rather, it is a concrete, observable system of interest presentation compatible with several regime patterns. Although this broad definition explains the anomalous existence of corporatism in liberal Protestant societies like Jamaica, it does not explain the homogeneous manifestations of corporatism in the conservative Catholic nations of Latin America.

Although what a corporatist scholar deems a "corporatist" system of government a pluralist researcher may claim is an example of "pluralism," corporatism is easily identifiable in the developing nations of the Western hemisphere (Williamson 1989, 7). These countries have varying degrees of corporatized systems of interest representation, lending credence to the observation that corporatism is an infinitely flexible and adaptable system, not nearly as rigid or impenetrable as previous development literature suggests (Schmitter 1974, 86-93; Wiarda 1974, 8).

This study is divided into four sections. The next section discusses the theoretical framework of the research project and provides four testable hypotheses. The second section sets up the two-country case study research design of Jamaica and Venezuela. The third section discusses the findings of the country case studies and determines which hypotheses were supported through qualitative analysis. I conclude with some general observations on the current systems of government that exist in these countries and determine whether the type of corporatism that was practiced has had any effect on Jamaica's continued stable democracy or Venezuela's slide into authoritarianism.

### **Theoretical Framework**

Crepaz (1992) states that corporatism has four identifying characteristics: Firstly, it provides desired macroeconomic outcomes as exemplified in the studies on the effectiveness of corporatism (143); secondly, it should provide social harmony (143); thirdly, corporatism is more likely to exist in a society that is characterized by deep socioeconomic cleavages (145); and finally, corporatism will continue to flourish as long as it provides political stability, economic growth, and social harmony (145-47). On the basis of these goals,

I argue that corporatism exists in both Jamaica and Venezuela. It is evidenced by what Wiarda (1997) calls “private-sector governments,” (9) that is, the government incorporates the most important societal groups, and these groups then take advantage of government programs and benefits while still preserving some autonomy or independence from the state. Naturally, the level of interest group autonomy is different in both countries, but this study seeks to explore the factors that may contribute to this phenomenon.

Stepan (1978, 73-81) and Francis (1980, 40) argue that corporatist societies take two distinct forms, inclusionary and exclusionary corporate systems. Inclusionary corporatist systems focus on incorporating both the working class and the peasantry by helping them to form organizations or by negotiating directly with existing groups (Francis 1980, 40; Stepan 1978, 73-81). Inclusionary corporatism is less likely to occur, thereby making exclusionary corporatism more likely in conditions of polarized political mobilization (Francis 1980, 41; Stepan 1978, 73-81). These authors also postulate that the greater the availability of economic and symbolic resources, the greater the chance for inclusionary strategies. In contrast, exclusionary corporate systems are characterized by highly coercive policies that stifle dissent while lacking policies that cater to the working classes (Francis 1980, 40; Stepan 1978, 73-81). It also suppresses the existing autonomous organizations in society (Francis 1980, 40; Stepan 1978, 73-81).

This study sets out to test Stepan’s hypotheses on the political, social, and economic conditions that give rise to inclusionary and exclusionary corporatist systems. The first set of hypotheses refers to the degree of political polarization in the affected society:

Hypothesis 1: Conditions of polarized political mobilization are not conducive to the installation of inclusionary corporatist regimes.

Hypothesis 2: When there is polarizing political mobilization, exclusionary corporatist regimes are more likely to form.

(Stepan 1978, 85)

Stepan’s (1978, 85) logic for the first hypothesis is that broad multi-class coalitional possibilities and the non-zero-sum socioeconomic climate that aid inclusionary attempts tend not to be present in situations of high political polarization. In contrast, in countries that exhibit increasingly high levels of political polarization, perhaps due to an impending revolution or regime

change, the state elite will find it necessary to propose “unprecedented levels of coercion in the attempt to alter the old pattern of class or interest conflict” through the imposition of exclusionary corporatist policies (Stepan 1978, 85-6).

The second set of hypotheses reflects the idea that resources and effective demand ratio have an effect on corporatist regime type:

Hypothesis 3: The greater the ratio of the state’s resource capability—primarily economic and symbolic, and secondarily coercive—to effective demand, the greater the chances of installing an inclusionary corporatist regime.

Hypothesis 4: The greater the ratio of the state’s resource capability—primarily coercive, and secondarily economic and symbolic—to effective demand, the greater the chances of installing an exclusionary corporatist regime.

(Stepan 1978, 88)

The logic behind the third hypothesis is that economic and symbolic resources are particularly useful for the installation phase of inclusionary corporatism (Stepan 1978, 89). The corporatist system of patron-client relations needs initial distribution outputs, both in order to co-opt key power brokers as well as to incorporate groups into the emerging system (Stepan 1978, 89). However, once these mechanisms for incorporation are established, they become important vehicles for containing future demand-making (Stepan 1978, 89). On the other hand, coercive resources are more critical to exclusionary corporatist systems because in the initial stages of the installation attempt, coercion is the major policy instrument through which the state elites restructure the demand patterns in civil society (Stepan 1978, 89).

### **Research Design**

I use case study analysis to test these hypotheses. I compare the different manifestations of corporatism that existed in Jamaica in the years following the Second World War (1945) to 1989, the year economic-conservative Prime Minister Edward Seaga lost power, and in Venezuela from the Pact of Punto Fijo (1958) to the 1999 (Pre-Chavez) period. I expect to find evidence that inclusionary corporatism has thrived in Jamaica despite the persistence of

polarized political mobilization and low levels of economic and symbolic resources, whereas exclusionary corporatism has existed in Venezuela despite the greater availability of economic and symbolic resources and low levels of polarized political mobilization, conditions that Stepan (1978, 73-81) and Francis (1980, 41) claim should bring about inclusionary corporatist strategies. The case studies are divided into four sections. The first section provides some background information on both countries. However, the section on resource and coercive capabilities comes second in the Jamaican study, followed by the section on political polarization, whereas in the Venezuelan study the section on political polarization comes first and is followed by the section on resource and coercive capabilities. Both studies conclude with a section on the future of corporatism. These analyses were organized in slightly different ways to account for the unique development of corporatism in each country.

### **Case Studies**

#### **Jamaica**

Jamaica is a former British colony with a very different socio-economic history than Venezuela. Although Spain controlled Jamaica until the mid-seventeenth century, they did little to develop the island and instead concentrated their efforts on Latin American colonies and larger islands like Cuba and the Dominican Republic. Spain's lack of interest resulted in the British capture of the island, and after three centuries of colonial rule it is English influence that has deeply molded present-day Jamaica (Forbes 1985, 5).

The island consists mainly of people of African and Afro-European descent, with numerous racial minorities including Europeans, East Indians, Chinese, Lebanese, and a small but influential Jewish community whose ancestry in Jamaica dates back to the sixteenth century (Forbes 1985, 5). Jamaica does not have the same historical or cultural traditions as its nearby North or Latin American neighbors; instead it is a predominantly African society with strong British political, economic, and social traditions (Forbes 1985, 5).

*Background Information.* British rule produced slavery, the class system, and the plantation economy, problems that have been difficult for contemporary, independent Jamaica to overcome (Forbes 1985, 6). However, the British inheritance in the areas of government, political rights, and civil administration has been much more positive, and has laid the foundation for

a stable democratic society (Forbes 1985, 6). The rule of law is generally respected in Jamaica as well as the belief in an ideal legal structure, which the political leadership, the elites, and most of the population support and strive to uphold (Forbes 1985, 6).

Prior to independence, libertarian emphases on democracy took second place to the building of democratic institutions (Stone 1986, 1). The Jamaican ruling class, however, were more inclined to a libertarian view of democracy thus leading to conflicts between the two political traditions as the newly independent country attempted to copy Western social democratic approaches to policy-making (Stone 1986, 1). Jamaica was left with two models of public management: the corporatism of its southern Latin neighbors or the pluralism of its neighbor to the north, the United States. Jamaica settled on corporatism, evidenced by big government, high taxes, high rates of public spending, high levels of public sector employment, and close government regulation and control of the private sector (Stone 1986, 1).

*Resource and Coercive Capabilities.* With the exception of bauxite deposits in its interior and limestone quarries on its northern coast, Jamaica has few exploitable natural resources. However, Jamaican leaders have always recognized that economic development would only occur through building and improving the nation's fledgling industrial sector. In his book *The Politics of Change*, former Prime Minister Michael Manley (PNP, People's National Party) unwittingly speaks of corporatism when he states, "popular involvement must extend into every aspect of social and economic organization" (1990, 68). He suggests that corporatism is the only way to combat the problem of government isolation. In other words, corporatism prevents the dilemma of a country that does not relate to its people (Manley 1990, 68).

The most important institutions in Jamaica are the political parties, the trade unions, the Church, the teachers, the commodity and the producers associations, voluntary associations, the professions, the civil service, and the media (Manley 1990, 162-3). Three separate but equally important groups are women, minorities, and youth (Manley 1990, 163). Manley defends the use of law to regulate the relationship among these nine institutions, government, and society as a means through which broadly defined national purposes can be achieved (1990, 165).

Manley argues that the relationship between government and institutions should be close and that institutional leadership should be genuinely involved in the decision-making process (1990, 69). This can be accomplished in two ways. Firstly, constant dialogue should be organized between government

leadership and the leaders of institutions such as manufacturers, farmers, traders, and trade unionists (Manley 1990, 69). The second method is more informal but still involves industry participation. It consists of “calling-in” all the firms that may be affected by a particular piece of legislation and arranging for the smooth transfer of affected staff to other fields in the general mood of co-operation and joint planning (Manley 1990, 69-70).

These two suggestions for a state-society relationship highlight the underlying belief that institutions, especially economic institutions, should always be consulted when major problems loom. Advice from industry, Manley emphasizes, should not only be sought but also listened to and implemented when possible (1990, 70). In addition to these suggestions, Manley believes that institutional participation must be built into the machinery of government. He uses the example of an economic planning council that would be supported by advisory committees in which politicians, bureaucrats, and relevant institutional leadership regularly meet to discuss and plan related legislation and government policies (Manley 1990, 70).

This breed of institutional participation gives government the opportunity to discuss with sectoral leaders the role they are expected to play in furthering national objectives (Manley 1990, 70). Moreover, it allows institutional leaders the opportunity to voice concerns on government policy and have their worth as contributors to the total national effort recognized (Manley 1990, 70). This method of institutional involvement should not be limited to industry but extended throughout the system into the areas of education, healthcare, and various other sectors (Manley 1990, 70).

Manley’s thinly veiled discussion of corporatism brings to light his beliefs that all modern governments tend toward centralization. Basically, corporatism is a feature of popular involvement in government (Manley 1990, 70-71). Corporatism, then, leads to increased democracy and trust in the system and does not, as other scholars have argued, lead to authoritarianism. This belief in corporatism as a feature of democracy has remained an important feature in Jamaican politics and there are no signs that this may change in the near future.

*Political Polarization.* Despite the rigid control that the government had over the economy, a 1978 Freedom House Survey ranks Jamaica among the forty-three nations of the world defined as being politically free (Stone 1980, 3). In the 1978 Freedom House Survey, Jamaica’s political system earned a score of seventy-five points on a political freedom scale of zero to one hundred (Stone 1980, 3). This score is “atypically high compared to other Third world

countries” albeit low by the standards of parliamentary democracies, including those in the Third World (Stone 1980, 3).

Stone identifies what he terms “machine politics” in Jamaica. Machine politics is characterized by a one-dimensional view of party loyalty that ignores non-material ties based on ethnicity, class, communal and organizational solidarity but instead draws its strength from powerful forces of political socialization (Stone 1980, 92-3). Corporatism, with its patron-client relationships, is an important facet of political polarization in Jamaica. All party leaders, regardless of their ideological persuasion, participate in corporatism as a means by which to absorb segments of the society that “exercise power from the vantage point of [...] property and capital ownership” (Stone 1980, 93).

To understand how corporatism developed in Jamaica, it is necessary to know the origins of the two major parties, the Jamaica Labor Party (JLP) and the People’s National Party (PNP). Both parties developed the same basic arrangement in terms of composition, organization of support base, and practice (Stephens and Stephens 1985, 42). The structural organization of the two parties was that of groups or branches at the grass-roots level and constitutionally defined procedures for representation of these grass-roots units in higher level decision-making bodies of the party (Stephens 1985, 42). Despite the democratically organized party structure, decision-making power was concentrated at the top, in the hands of a small elite among whom the party leader played a dominant role (Stephens 1985, 42). Furthermore, both parties maintain a union wing and retain strong ties with business, labor, and agriculture.

In the 1940s, the JLP drew its strength primarily from the Bustamante Industrial Trade Union (BITU) (Forbes 1985, 10). After the PNP’s defeat in the first general election under universal adult suffrage, it formed its own labor organization, the Trade Union Congress (TUC) (Forbes 1985, 10). However, after the TUC’s ideological takeover by leftists elements within the PNP, a new trade union was formed, the National Workers Union (NWC), which remained the BITU’s main rival going into the 1960s (Forbes 1985, 10).

This incorporation of trade unions into the machinery of the state was inevitable as trade unions were formed long before independence as a response to the entrenched power of the merchant-planter class (Griffin 1997, 122). Trade unions reflected strategic attempts to mobilize worker’s groups from different employment categories and to use their collective resources to mount effective institutional challenges to the power of the merchant/planter elite

(Griffin 1997, 122). This phenomenon is central to understanding the role of union and party activity and civil society in general in the transitions to and the institutionalization of democracy in Jamaica (Griffin 1997, 122).

*Corporatism in the Future?* Inclusionary corporatism, rigid party organization, and external economic relationships have contributed to Jamaica's stable liberal democratic institutions (Edie 1994, 38). However, economic difficulties in the 1980s and 1990s made it imperative that both political parties accept International Monetary Fund's structural adjustment policies (Edie 1994, 39). This has led to less government involvement in the economy and less resources available for welfare policies (Edie 1994, 39).

As a result of corporatism, Jamaica has a working form of parliamentary democracy that lacks the substance of Western democracies in terms of the rigid separation of civil society from the apparatus of the states; however, it functions nonetheless (Edie 1994, 40). And, despite their limited participation in the political process, the Jamaican people are committed to the practice of democracy (Edie 1994, 40). Corporatism has ensured that both government and the nation's main institutions have a stake in the political process, thus adding to the system's stability (Edie 1994, 40).

## **Venezuela**

Venezuela gained independence from Spain in 1821 under the Republic of Gran Colombia (U.S. Department of State 2007). In 1830, Venezuela separated from the Republic to become a sovereign country (U.S. Department of State 2007). However, representative democracy did not take root in Venezuela until the mid twentieth century and even then it was eventually overthrown by the armed forces under the encouragement of "traditional groups that viewed popular democracy as threatening to their power and influence" (Myers 2004, 141).

Venezuela followed the Latin American political cycle of dictatorships and unconsolidated democracy in the twentieth century (Huntington 1991). In the economic sphere, it also followed wider trends by shifting from foreign ownership of industry, particularly the petroleum industry, to nationalization. The economic preponderance of the petroleum industry accounts for roughly 50 percent of federal budget revenues, creating a large economic and symbolic national resource that according to Stepan (1978) and Francis (1980) should make Venezuela more inclusionary in its corporatist strategy (Central Intelligence Agency 2007).

*Background Information.* Corporatism in Venezuela looks very different from the variation practiced in Jamaica. This may be due to many factors including cultural, religious, socio-historical, and political ones, among others. Venezuela is part of the larger Latin American culture, which unlike Jamaica, did not inherit democratic institutions. Even the middle class, usually a force for democratic change, has not been inclined toward liberal pluralistic society (Dealy 1974, 72).

Wars of independence from its colonial ruler, Spain, were essentially conservative movements in which the position of the Creole aristocracy was enhanced at the expense of the Spanish aristocracy but in which no middle class emerged (Dealy 1974, 71). Latin Americans have consistently favored some form of political monism—or the centralization of potentially competing interests (Dealy 1974, 73). Jamaica inherited from the English a Lockean, Protestant outlook; Venezuela, on the other hand, inherited a Latin American Thomist outlook, which promotes the monistic democrat's defense of unity (Dealy 1974, 74).

*Political polarization.* Social groupings that polarized Venezuela remained strong despite experiments with democracy and military rule. These groups were comprised of those who controlled class, status and power hierarchies, for example, entrepreneurs, merchants, large landowners, military officers, and the ecclesiastical hierarchy (Myers 2004, 141). The challengers were composed of recent university graduates, educators, students, and small businessmen from the interior (Myers 2004, 141). Corporatism in Venezuela emerged from the party leaders' reliance on the masses, which consisted of the workers—that is, challengers—and the peasants, for political support (Myers 2004, 142).

However, corporatism did not coalesce in Venezuela until the chaos following General Perez Jimenez's 1952 military junta. General Jimenez's 1958 retreat into exile, which left the economy in shambles, coupled with Castro's revolution in Cuba, added fuel to the explosive Venezuelan youth (Myers 2004, 142). These developments led the elites to form an agreement known as the Pact of Punto Fijo. It outlined the principles under which the traditional and challenging elites would cooperate to shape political decisions in a democratic political regime (Myers 2004, 142).

The pact arose out of the elites' fear of endemic instability and the threat of class warfare (Myers 2004, 142). They concluded that the risk of pursuing their interests unilaterally was far more dangerous than the potential risk of establishing rules of civic engagement with groups that they disliked and

distrusted (Myers 2004, 142). The Punto Fijo party system was organized in a corporatist style because the founders viewed society as divided into different bodies or corporations that needed to be managed in order to bring about societies' interests (Myers 2004, 143).

The Punto Fijo party system organized society around four basic homogenous and tightly interwoven principles (Navarro 2000, 203). Firstly, the government was the sole provider of social services; private providers were of marginal importance and were merely tolerated but not incorporated into public policy programs for the social sector (Navarro 2000, 203). Secondly, the social sector, which consisted of education, health care, poverty alleviation, nutrition, and low-income housing programs, was highly centralized with all main offices located in the capital (Navarro 2000, 203). Every facet of the administration—implementation, evaluation, and management of social services—was conducted from the capital with virtually non-existent regional or local autonomy. Thirdly, this centralization was coupled with the strong paternalistic patterns that characterize Latin American corporatist systems. In Venezuela, this meant that there was no room for feedback from the populace regarding the quantity and quality of government services; in other words, there was no system of accountability (Navarro 2000, 204). Needless to say, the lack of accountability led to poor social services and citizen dissatisfaction. Finally, the penetration of the political parties into social service administration led to further erosion of public confidence in government, as these social services only benefited those working in the agencies and not society at large (Navarro 2000, 204).

*Resource and Coercive Capabilities.* Although these paternalistic, centralized, hierarchical policies contributed to improvements in health, education, and welfare, strains became evident at the close of the 1980s. The golden age of political stability, development, and prosperity that characterized Venezuela during the 1970s and the 1980s came to an end in 1992 with the attempted coup by Hugo Chavez Frias. Democratic elections, which were held a year later, officially ended the political domination of AD (*Accion Democratica*, Democratic Action) and COPEI (*Partido Social Cristiano de Venezuela*, Social Christian Party of Venezuela) and with it the Punto Fijo party system.

From 1993 to 1999, the period in which Punto Fijo lost its legitimacy and Hugo Chavez came to power, Venezuela went through a period of decentralization. This led to an increase in the resources allocated to the social sector, although the complete transfer in jurisdiction over these programs was

taken away from the central government (Navarro 2000, 217). Increases in social service spending came on the heels of greater public sector expenditures by sub-national government (Navarro 2000, 217). The final move toward decentralization during this period was the end of the one size fits all social policy that the central government imposed on states and municipalities (Navarro 2000, 217). States were able to mold their social policies to fit the unique challenges and characteristics of their jurisdiction (Navarro 2000, 218). This loosening of the reigns by the central government led to more experimentation as well as emulation of successes and competition among jurisdictions that resulted in better social welfare for Venezuela's poor (Navarro 2000, 218).

However, this trend toward decentralization in the area of social services has not extended into other sectors of government and neither did it affect the power of the ruling elites, the military, or the Church. Nevertheless, a reverse trend in decentralization has been taking place in the latter years of the Hugo Chavez presidency, in which power is once again being concentrated in the capital.

*Corporatism in the Future?* The defining characteristic of Venezuelan political culture is the inability of the corporatist configuration of political parties to structure relations between civil society and the state, to command citizen loyalty, and to recruit effective leaders (Myers 2004, 166). In the 1960s corporatism was the glue that held the fabric of Venezuelan society together. However, after thirty years, the policies that had once become critical for institutionalizing representative democracy had the opposite effect (Myers 2004, 167).

Another reason the corporatist party system decayed and collapsed in the 1990s was its incapacity to adapt to the growing number of urban poor that became the largest social stratum (Myers 2004, 168). Similarly, the land-owning elites, the Church, and the military were appeased, but largely excluded from the policy-making process. However, petrodollars allowed the political parties, trade unions, and business groups to organize policy to their own benefit (Myers 2004, 167-8).

AD and COPEI aided in the demise of the corporatist Punto Fijo system by preventing the promotion of new leadership inside their party structure (Myers 2004, 168). Neither party assisted the other when it came under attack from forces from below that sought to dismantle the political equilibrium (Myers 2004, 168). Mutual support was necessary to maintain the system because both parties were the main framers of the Pact of Punto Fijo (Myers

2004, 168).

The deterioration of the state's income from petroleum worsened the discontent of the poor because the state did not have enough money both to provide the social services to accommodate everyone and bribe the traditional aristocrats and party members (Myers 2004, 168). A population boom exacerbated the problem and added to the fall in the real per capita income of Venezuelans (Myers 2004, 168-9).

As noted previously, society's support for corporatism is correlated to the social stability and the economic benefits that it provides. However, as early as 1989 strains in Venezuela had begun to appear, the government attempted to release some pressure by instituting some economic reform. According to Tina Rosenberg (2003), these reforms included

... the freeing of currency exchange and interest rates, increases in electricity, water, transportation, and other tariffs, the elimination of subsidies to producers of flour and other basic goods, and the sale of state enterprises—[which] brought the country 9.2 percent growth in 1991, the highest growth rate of any country in the world. (220-1)

However, these improvements were not enough to quell the unrest that was gaining momentum in the slums and with the mid-level officers in the military. The poor were no longer willing to make sacrifices for economic growth that did not seem to improve their circumstances and mid-range military officers were malcontented because they were not receiving any of the perks that were given to senior military officers (Rosenberg 2003). All of these factors led to the end of the Pact of Punto Fijo and the rise of Hugo Chavez Frias.

### **Corporatism in Contrast**

Analyses of corporatism in Jamaica and Venezuela demonstrate that resource capability is an unnecessary condition for the development of inclusionary corporatism. Additionally, political polarization is an unnecessary requisite for the development of an exclusionary corporatist system. All of Stepan's hypotheses are rejected, as they are unable to explain the corporatist systems that emerged in both countries during the relevant time periods.

Though Jamaica practiced pragmatic inclusionary corporatism and Venezuela had a historical-cultural exclusionary corporatism, the reasons for

developing corporatist political structures were the same. The case study of Jamaica demonstrates that despite high levels of political polarization and the absence of resources or the economic means through which to coerce society, inclusionary corporatism could still flourish and provide real benefits to the masses. In Jamaica, inclusionary corporatism provided the political stability needed to guide the country in the direction of economic growth and the efficient use of scarce national resources. This analysis provides a new way at looking at the relationship between inclusionary corporatism and political polarization. For new democracies like Jamaica, inclusionary corporatism got citizens involved in the democratic process by creating political parties that presented sharp contrasting views and aggressively mobilized their followers. This created an environment conducive to democracy despite the absence of resources.

Venezuela, however, was independent for a longer period of time than Jamaica; but after a century and a quarter of political instability, the elites decided on corporatism as a means through which to control the growing urban poor without involving them in the political process. Stephan hypothesized that resource and coercive capabilities would lead to inclusionary corporatism, presumably because resources would provide the capital necessary to include the impoverished masses. But despite the abundance of natural resources that would have allowed the political elites to include civil society in government, cultural and historical factors unique to Latin American countries resulted in exclusionary corporatism. In fact, resources permitted the political elites to provide enough services to pacify the masses but not so much that the masses felt inclined to ask for more.

The Iberian, Catholic, paternalistic, monistic features of Venezuelan society place a high value on conformity—individuals should not only fit into a group, but they should not want to progress beyond the confines of their group. Corporatism was a natural choice for the upper classes of society when the old system began to crumble and decay. In fact, corporatism was one way to give the disgruntled masses the impression that a democratic revolution had taken place in Venezuela without any radical ideas on equality and communism taking root. Corporatism in the 1950s was a way of relieving societal pressure much like the lackluster economic reforms of 1989 served to siphon off the dissent of the masses.

It is arguable that Venezuelan corporatism contributed to the ease with which leftist populist leader Hugo Chavez was able to appeal to the masses and gain widespread support for his reforms. Venezuela's exclusionary

corporatism benefited those in government, its supporters, and the natural aristocracy that had ruled for country for over a century. Using this reasoning, historical and cultural factors are stronger predictors of whether a country will develop exclusionary corporatist strategy rather than economic factors.

Jamaica's form of corporatism served as a unifying force that helped foster civil society where none previously existed. Another difference between the corporatist variants in both countries is that in Jamaica corporatism has never had to be defended due to its acceptance by the populace and the widely held belief that it was the role of government to keep the various groups in society in check. In Jamaica, the government has always been viewed as the only legitimate policy maker and it does not face challengers from any other group in society.

The corporatist arrangement of Jamaican society survived the turbulent and violent 1970s and the economic recessions of the 1980s and 1990s and has proved to be resilient and adaptive. This phenomenon lends credence to the belief that inclusionary corporatism fares better than exclusionary corporatism in difficult times. Also, the Jamaican case demonstrates that corporatism does not necessarily lead to an authoritarian system of government. In fact, corporatism can help reinforce democracy and citizen participation by fostering civil society and consulting with these groups before major policy decisions. In other words, a stronger predictor of inclusionary corporatist strategy is the degree of political mobilization and polarization, which reflects society's interest in government and democracy.

### **Conclusion**

This study shows that corporatism is a versatile system of structuring state-society relations in countries with weak to non-existent civil societies. The case studies analyzed here refute Stepan's (1978) hypotheses of the conditions that are necessary for inclusionary and exclusionary corporatism to flourish. Case study research has shown that the factors of political culture, pre-existing state-society relations, and the country's pathway to democratic institutions are better indicators of inclusionary or exclusionary strategies than are Stepan's postulated factors of political mobilization and resource endowment.

Finally, the research conducted for this study should not be used to point to a definitive correlation between exclusionary corporatist models and authoritarianism or inclusionary corporatism and stable democracy.

However, this study does show that corporatism is compatible with many regime types and can survive regardless of the socio-economic cleavages of its host society.

### References

- Central Intelligence Agency. 2007. "Venezuela." October. *The World Factbook*. Accessed October 25, 2007. Available online at <https://www.cia.gov/library/publications/the-world-factbook/geos/ve.html>.
- Crepaz, Markus L. 1992. "Corporatism in Decline? An Empirical Analysis of the Impact of Corporatism on Macroeconomic Performance and Industrial Disputes in 18 Industrialized Democracies." *Comparative Political Studies* 25(1): 139-68.
- Dealy, Glen. 1974. "The Tradition of Monistic Democracy in Latin America." In *Politics and Social Change in Latin America*, edited by Howard J. Wiarda. Amherst: The University of Massachusetts Press. 71-103.
- Eddie, Carlene J. 1994. "Jamaica: Clientelism, Dependency, and Democratic Stability." In *Democracy in the Caribbean: Myths and Realities*, edited by Carlene J. Eddie. Westport, CT: Praeger Publishers. 25-41.
- Forbes, John D. 1985. "Jamaica: Managing Political and Economic Change." *American Enterprise Institute Special Analyses* 85(1). Washington, DC: American Enterprise Institute for Public Policy Research.
- Francis, Michael J. 1980. "Studying Latin American Politics: Methods of Fads?" *The Review of Politics* 42(1): 35-55.
- Griffin, Clifford E. 1997. *Democracy and Neoliberalism in the Developing World: Lessons from the Anglophone Caribbean*. Aldershot, England and Brookfield, VT: Ashgate Publishing.
- Huntington, Samuel P. 1991. *The Third Wave: Democratization in the Late Twentieth Century*. Norman: University of Oklahoma Press.
- Landauer, Carl. 1983. *Corporate State Ideologies: Historical Roots and Philosophical Origins*. Berkeley: Institute of International Studies, University of California.
- Manley, Michael. 1990. *The Politics of Change- A Jamaican Testament*. Washington, DC: Howard University Press.
- Myers, David J. 2004. "Venezuela's Punto Fijo Party System: A Failed Corporatist Mediator." In *Authoritarianism and Corporatism in Latin America- Revisited*, edited by Howard J. Wiarda. Gainesville: University Press of Florida. 141-72.

- Navarro, Juan Carlos. 2000. "The Social Consequences of Political Reforms: Decentralization and Social Policy in Venezuela." In *Social Development in Latin America: The Politics of Reform*, edited by Joseph S. Tulchin and Allison M. Garland. Boulder, CO: Lynne Rienner Publishers. 201-25.
- Rosenberg, Tina. 2003. "Latin America's Magical Liberalism." In *Politics and Social Change in Latin America- Still a Distinct Tradition?*, edited by Howard J. Wiarda and Margaret MacLeish Mott. Fourth edition. Westport, CT: Praeger Publishers. 211-25.
- Schmitter, Philippe. 1974. "Still the Century of Corporatism?" *The Review of Politics* 36(1): 85-131.
- Stepan, Alfred. 1978. *The State and Society: Peru in Comparative Perspective*. New Jersey: Princeton University Press.
- Stephens, Evelyne H., and John D. Stephens. 1985. *Democratic Socialism in Jamaica: The Political Movement and Social Transformation in Dependent Capitalism*. Princeton, NJ: Princeton University Press.
- Stone, Carl. 1980. *Democracy and Clientelism in Jamaica*. New Brunswick, NJ: Transaction Books.
- \_\_\_\_\_. 1986. *Class, State, and Democracy in Jamaica*. New York: Hoover Institution Press and Praeger Publishers.
- U.S. Department of State. Bureau of Western Hemisphere Affairs. 2007. "Background Note: Venezuela." October. Accessed October 25, 2007. Available online at <http://www.state.gov/r/pa/ei/bgn/35766.htm>.
- Wiarda, Howard J. 1974. "Corporatism and Development in the Iberic-Latin World: Persistent Strains and New Variations." *The Review of Politics* 36(1): 3- 33.
- \_\_\_\_\_. 1997. *Corporatism and Comparative Politics: The Other Great "Ism."* Armonk, NY: M.E. Sharpe.
- Williamson, Peter J. 1989. *Corporatism in Perspective: An Introductory Guide to Corporatist Theory*. Bristol: Sage Publications Ltd.