The Political Economy of Revolution and Democracy: Toward a Theory of Latin American Politics

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The Political Economy of Revolution and Democracy:

Toward a Theory of Latin American Politics

By WILBER A. CHAFFEE[*]

ABSTRACT. Electoral *democracy* and *revolutionary violence* are both forms of *political competition* involving *leaders* vying for *public office.* Political leaders seek benefit from public position. By redefining those benefits into concepts of *profit* and *costs,* a *rational choice* framework can give an ordering of those types of political competition which are of the greatest value to office holders, assuming that they are profit-maximizers. The ordering that results conforms to the definition of *prisoner's dilemma* and creates a *game theoretic matrix* based on leader's choices of either electoral or violent competition. The result is an explanation of various modes of political competition. The analysis draws on experimental work on prisoner's dilemma and on empirical material drawn from *Latin American politics.* Revolution, democracy, and *dictatorship* are shown to be varieties of a basic *cost-benefit analysis* of political leaders.

I

Revolution as Rational Political Behavior

ONE OF THE CENTRAL CONCERNS of comparative research focuses around the question of political systems: Why have some States succeeded in limiting

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political competition to decision by voting, while others seem predisposed to coups or are maintained under authoritarian rule? Attempts to answer this have included explanations based on class conflict, dependency, cultural values, and levels of frustration.[1] Much existing work on revolution exhibits an ethnocentric or normative basis, implicitly assuming democracy as the standard behavior pattern and revolt as irrational. Studies of third world nations have assumed that western style government was the desired norm and conceptual schemes of system maintenance dominated political inquiry. Thus terms like "dysfunctional" or "illness" came to be applied to revolution as it upset political stability.[2] Analyses of Latin American politics have especially suffered from this problem.

In contrast to some other studies, the analysis presented here is positive, putting revolution into the context of rational political behavior. Violence will be shown to be the dominant strategy of political competitors, making revolution the normal method of replacing political leadership. Electoral democracy is found to be a much more complicated system of competition and therefore most in need of explanation.

The need to develop universal generalizations that could be applied to emerging nations as well as western governments opened political theory to economic frameworks.[3] Economics offered a rich theoretical tradition based on the concept that men seek to maximize their utility. In addition, economic theory had a place for system change based on competition.[4] What we seek is a model that can be corroborated ('falsified,' in Popper's terminology) by testing it with historical data—relevant time series—rather than historical situations.

The political economy approach provided for two important new variables: social dynamics in contrast with the static quality of earlier models, and an understanding of strategic interaction. Strategic interaction concerns the choices made by two or more persons that collectively produce a result. Paul Samuelson's "The Pure Theory of Public Expenditure" established a correspondence between economic and political variables.[5] Mancur Olson's *The Logic of Collective Action* provided the basis for understanding gross political behavior in terms of individual motivation.[6] Finally, the development of game theory by John von Neumann and Oskar Morgenstern, and especially the "Prisoner's Dilemma," made the analysis of strategic interaction possible.[7]

Political economy, like all approaches to theory building, abstracts from reality, postulating simplified models of behavior that are often at variance with the totality of observed data. This approach assumes that at the center of most human actions are decisions based on weighing alternatives and that a

rational choice involves selecting the alternative with the greatest benefit. This system leaves out all actions which cannot be subsumed under rational explanations. The centrality of rational choices makes a cost-benefit analysis derived from economic assumptions applicable to the conceptualization of political behavior.

Politics involves competition for the control of governments and governmental resources. An explanation of political competition can be developed through the application of economic assumptions and reasoning to political variables. Political behavior parallels economic behavior in terms of the exchange of goods and services in return for compensation. The difference between economics and politics lies in the types of goods and services exchanged and in the medium and method of compensation. In general, economics concerns the production and supply of private goods in a market setting, while politics is concerned with the production, supply, and compensation for collective or public goods (including services).[8] Government, then, can be defined as that unit which supplies public goods.[9]

II

Politics as a Profitable Profession

IF GOVERNMENT IS THE UNIT for the supply of public goods to a society, then those aspects of microeconomic theory applicable to public goods can be used to describe political behavior. Political behavior can then be explained in terms of a set of economic variables. The only limitations on the use of microeconomic theory exist in the correct specification of those variables. For example, revolutions can be characterized as analogous to changing forms of economic competition. Revolutionary situations occur when an incumbent government has a monopolistic control over the supply of collective goods to a polity and represses the entry of alternative offers to supply these goods.

The existence of governments, as organizations which produce and supply public goods, implies the necessity for entrepreneurship. "Entrepreneurship is characteristic of all organized human activity . . . you cannot talk about organization without talking about entrepreneurship as one aspect of organization."[10] A political entrepreneur will be defined as a person or a group of persons who seeks political gain and/or profit from the production and supply of collective goods. To obtain a profit a political entrepreneur must determine that sufficient demand for a public good exists, then supply that good for less than he can collect back in return. Entrepreneurship can be defined as the "purposeful activity . . . undertaken to initiate, maintain, or aggrandize a

profit-oriented business unit for the production or distribution of economic goods or services."[11]

So far no satisfactory motivation other than the illusive concept of utility has been adequate to explain the entrepreneurial career. One of the most obvious motivations with great personal utility is monetary profit. The concept of politicians seeking gain from office, either in terms of money or social advancement, runs counter to the idealized image of the North American political culture. The use of politics as a means of social advancement can be seen in the number of millionaires who sacrifice substantial portions of their personal wealth to gain positions of prestige and power through electoral politics.[12] The list of Latin American leaders known to have found profit in political position is long. São Paulo's late governor, Adhemar de Barros, won with the slogan: "Sure I steal, but I get things done." Jesús Silva Herzog claims that "politics is the easiest and most profitable profession in Mexico."[13] During a six-year presidential term, a Mexican cabinet minister or state-industry manager

> finishes his term with two or three houses, a good library, two or three automobiles, a ranch, and $100,000 cash; about 25 directors and ministers hold posts from which they can leave office with fifty times that amount in cash.[14]

Monetary profit may not be the only basis of utility maximization for political entrepreneurs. There are sociological and psychological aspects. A politician may desire to maximize his tenure of office. This may dictate a policy of a low level of financial profit and an increase in the values of public goods supplied.[15] The economic analogue could be the small merchant who is satisfied to run a neighborhood business and maintain a moderate living. A third motivation for political entrepreneurship is political ambition: to go to the top of the political ladder. Career motivation requires that the position be a stepping-stone for advancement and that the political entrepreneur maximize upward mobility.[16] Fidel Castro may be seen as an example of a highly successful, ambition-motivated leader.[17]

Advocates of the economic interpretation of history notwithstanding, there are other aspects, psychological, sociological, anthropological. This study concentrates on the economic aspect. A realistic theory requires all aspects.

The absence of political competition enjoyed by some political entrepreneurs makes it possible for them to make a monopoly profit. Although monopoly profit for public goods cannot be expressed in terms of supply and demand curves, or revenue and cost levels, it can be assumed that monopoly profits for public goods, as for private goods, are greater than profits under conditions of competition.

III

Monopolistic Competition in Politics

POLITICAL COMPETITION, like economic competition, tends to lower the costs of goods to the consumer due to the lowering of profit levels. If a political entrepreneur leading a government maximizes his profits because he holds a monopolistic position as the producer of collective goods, then he faces the danger of being removed from office by a polity which accepts the program of a political competitor offering to supply a more valued package of public goods. In summary, political entrepreneurs supply public goods to a society to make a profit. Entrepreneurs are assumed to want to maximize their profits. Profits can best be maximized where a condition of monopoly exists. Political competition, just as economic competition, lowers profits since the consumer can choose between suppliers, selecting the one who gives the preferred package of goods.

An incumbent political entrepreneur who collects monopoly profits is threatened if a competing political entrepreneur can offer a substitute package of public goods to the society. One method of meeting this threat to monopoly profits is to repress political commpetition. A revolution results when the incumbent represses the competition, and the competitor resorts to force so as to obtain control of the government and the right to supply the goods. From this hypothesis a framework to explain political competition can be developed.

Competition in the production and supply of collective goods takes a number of forms, depending on the relationships between the competitors. In the political arena such competition may be expressed in a number of ways: two-partied electoral systems, civil wars, some "one-partied" governments, coups d'etat, and revolution. Duopoly, a particular case of oligopoly, is simply a two-partied competition between suppliers, the simplest form of political or economic competition. In the special case of duopoly three forms of political competition result: competition within a legal framework that limits yet divides profits between the competitors, competition in which the major supplier of collective goods allows a competitor to share the market as the least expensive form of maintaining almost monopoly profits, and revolution, in which competition is cutthroat and leads to the elimination of any competitor.

The first form of duopolistic competition exists where there are a set of norms established by law and accepted by the competitors. Competition is regulated so that competitors are prevented by law or by circumstances from

action that would eliminate the other goods' supplier. Politically this form may be seen in two-party Western-style democracy. In democracy competition is bridled by a series of legal norms that maintain inter-party conflict, but do not allow one competitor to eliminate another.[18] For the political entrepreneurs, profit is usually held at a reasonable level and competition is imperfect. This situation is analogous to an economic competition in which a few suppliers of almost monopolistic size are controlled by anti-trust laws so as to legally institutionalize competition. Normally a constitution plus associated laws establish the basis of a collusive arrangement of democratic duopolistic competition.

Duopolistic competition can be contractual. A dramatic example of contractual collusion with the specific purpose of preventing profit loss by cutthroat political competition can be seen in Colombia's *Frente Nacional.* Traditional party competition in Colombia had broken down after 1946 when the Conservative party government began to use the police and army to repress the Liberal party. The Liberals began arming peasant supporters and attempted to overthrow the Conservatives. The competition in the next years became so intense that is was known as *La Violencia,* costing some 200,000 lives and destroying the economic interests of Liberal and Conservative alike. In 1957 party leaders worked out a *Frente Nacional* which contained two mechanisms to divide explicitly the profits of politics: *alternación* and *paridad. Alternación* provided that the two parties would alternately hold the presidency every four years. *Paridad* detailed how offices on both the national and local levels would be allocated between the parties. The result was the equivalent of an agreed profit level of oligopolistic competition demonstrated by the kinked demand curve. Politically, it was the return to the constitutionally decreed democratic system.

The second form of duopolistic competition allows political competition on a low level, letting the competitor function as an aggregator of the polity's unmet demands. If the incumbent can control the extent of the competition and the competitor can be satisfied with the profit that ensues from being the leader of the opposition, then allowing competition may be less costly than repression. Allowing political competition means a division of monopoly profits, even if the division be unequal. An example is Mexico with its dominant *Partido Revolucionario Institucional* (PRI) and the minority *Partido Acción Nacional* (PAN). Donald Mabry describes PAN as "an integral part" of a "sophisticated political system" which "represents compromises among important national interests and a means to avoid retrogression to revolutionary strife."[19] He points out that "Monterey industrialists contribute small amounts

to PAN partly to aid compatriots who are PAN politicians, partly to encourage the spread of pro-business ideas, and partly to annoy the central government in Mexico City, so powerful and distant.[20] This function of a controlled opposition as a means of preventing revolution was recognized by the Che Guevara who wrote:

> Where a government has come into power through some form of popular vote, fraudulent or not, and maintains at least an appearance of constitutional legality, the guerrilla outbreak cannot be promoted, since the possibilities of peaceful struggle have not yet been exhausted.[21]

Collusion is the result of a calculation by political entrepreneurs that profit can best be maximized by allowing limited political competition. Duopolistic competition can only remain profitable if there is some form of collusion, either explicit or implicit. Breaking of a collusive agreement can result in a continuing series of price reductions to the point that the production and supply of goods becomes profitless. In a regulated duopolistic political competition, winning means supplying a package of collective goods or being turned out of office.[22] It also means the ability to collect profits as a result of supplying the goods. Collusion guarantees the winner of a political competition a definite term in office so that the changing offers of collective goods' packages do not turn an incumbent out of office every time a more valuable offer of political goods is made. This prevents turning the leadership of government into a profitless enterprise, as it ensures a winning political entrepreneur sufficient time in office to make a profit, and helps to make those profits long-term rather than short-term.

The third type of duopolistic political competition uses violence. Refusal of either political competitor to allow collusion results in cutthroat competition that continues until one of the competitors is forced out. That is, there is operative neither a set of legally prescribed rules of competition that prevent the elimination of a competitor nor an agreement between the competitors to maintain competition within limits that guarantee mutual profitability. If an incumbent political entrepreneur, enjoying a monopoly on both competition and supply, decides that repression of political competition will maximize profits, then offers by a political competitor of a substitute package of collective goods may be met with violence.

IV

A Game Theoretic Approach to Duopolistic Competition

GAME THEORY ILLUMINATES areas of duopolistic political competition that cannot be sufficiently explicated by other economic models. This type of competition,

like two-person game theory, can be divided into two mutually exclusive types of behavior: situations in which collusion or cooperation is possible, and situations where it is not possible.

If collusion or profit division cannot be agreed to or enforced, then the alternatives are dictatorship or revolution. Each political entrepreneur has a choice of either adopting a cooperative strategy, or opting to eliminate the competition through violence. These choices can be expressed as a 2 × 2 matrix with the cells representing the result of their mutual choices, as in Figure 1. If both competitors choose cooperation the result is a democratic solution, *i.e.,* the political entrepreneurs agree to abide by some established decision-rule and not to resort to violence. Cell "a" represents this choice. If one of the competitors chooses a cooperative, *i.e.,* a non-violent strategy, while the other decides to use violence to repress competition, the result is
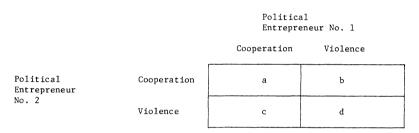
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                                        Political
                                        Entrepreneur No. 1

                                    Cooperation        Violence

Political          Cooperation          a                 b
Entrepreneur
No. 2
                   Violence              c                 d
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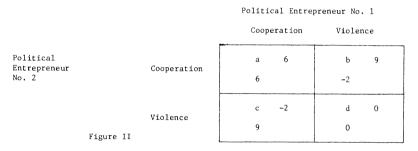
Figure I

dictatorship (cells "b" and "c"). If both opt for a violent solution, the result is revolution or civil war, a condition that continues until one of the competitors is eliminated (cell "d").

As defined earlier, political entrepreneurs are profit maximizers. The application of microeconomic theory can provide an ordering of the profit levels that political entrepreneurs can expect from each cell of the matrix. Both competitors would prefer to repress competition which would leave the repressor in a position of enjoying profits. Economic theory shows that monopoly profits are higher than competitive profits. A similar ordering would be expected in politics. Therefore, if Competitor No. 1 can repress or prevent competition, logic dictates that the payoff of cell b > a, c, or d. Likewise, if competitor No. 2 is successful in repressing competition, his payoff ordering is c > a, b, or d. In each case the repressed competitor loses his profit, but also loses his investment spent to enter the competition, a net loss. As in

cutthroat economic competition, profits reduce to zero as each competitor expends all his resources to win. A cooperative choice by both competitors results in some division of the profits. The profit level is below the monopoly level but higher than cutthroat levels. This analysis gives a full profit ordering for both political entrepreneurs: for number 1, $b > a > d > c$ and for number 2, $c > a > d > b$. This ordering of payoffs in a noncooperative game corresponds to the ordering of payoffs that defines a prisoner's dilemma matrix.[23]

Although the above matrix ordering is only ordinal, the substitution of numerical values with the same ordering enhances the game-theoretic analysis. Figure II shows the result of such a substitution.

Each competitor in Figure II has a dominant solution—violence. Cooperation, without some enforcement mechanism to prevent an opponent from choosing violence, is not a rational choice for a profit-maximizing political entrepreneur.

Political Entrepreneur No. 1

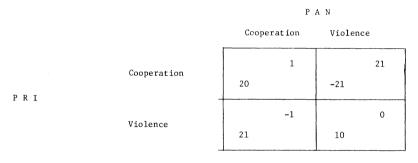|		Cooperation	Violence
Political Entrepreneur No. 2	Cooperation	a 6 6	b 9 -2
	Violence	c -2 9	d 0 0

Figure II

Rational, profit-maximizing political entrepreneurs, therefore, will choose violence in an effort to achieve and hold a monopoly position in the production and supply of collective goods. The result is a pattern of political competition in Latin America that has been described by Merle Kling:

> *Continuismo*, prolonged office-holding by a strong *caudillo*, in its essence represents the reverse side of the shield of political stability. Continuismo signifies not the absence of political instability, but the effective suppression of potential and incipient rebellions by competing *caudillos*. *Continuismo*, in fact may be regarded as perpetuation in office by means of a series of successful anticipatory revolts.[24]

If the competitors can agree to cooperation or at least agree to nonviolent competition, then a division of the profits can result as in the case of Colombia. Profit maximization for both political entrepreneurs can occur over a period of time if they consistently choose the cooperative solution. As in every case of prisoner's dilemma, the essential question is how to guarantee that both competitors will keep an agreed-upon cooperative solution, for either competitor can make a greater profit by reneging, if he has the means for violence.

One method of maintaining stability and long-term profits while reducing costs for repression is the Mexican system of one party dominance. A game theoretic representation of the Mexican system would be an asymmetric prisoner's dilemma, as illustrated in Figure III. Philippe Schmitter uses a model developed by Juan Linz to explain the post-1964 Brazilian government:

> A stable authoritarian regime does require at least loose one-party dominance, or the presence of a dominant coalition, if any degree of political competitiveness is to be permitted. Otherwise, it must devote much of its resources to either the repression of competitiveness or the manipulation of its results.[25]

Game theory dictates that each "player make his choice simultaneously or, what is the same thing, *in ignorance* of what choices are made by others."[26] When political entrepreneurs make choices, they make them sequentially and with considerable knowledge of the competitor's actions.

P A N

		Cooperation	Violence
	Cooperation	1 20	21 -21
P R I	Violence	-1 21	0 10

Figure III

Certainly every political entrepreneur does not have the capacity to initiate effective violence. It is questionable, for example, whether in Mexico PAN has the resources to upset the PRI through violence. Similarly, political competition can be institutionalized, a process that can have a strongly inhibitory effect on potentially violent competitors.[27] Also, choices are largely determined by the payoff level associated with the different strategies. Expected profit will be dependent on the probability of the success of a particular choice.

Two forces work to move the prisoner's dilemma of political competition away from b, c, and d and toward a. First is the profit-maximizing calculation of a political entrepreneur who estimates that greater profit, in the long run, can be obtained through institutionalized competition rather than violent competition because of the costs of repression necessary to maintain a competitive monopoly.

The second force is *citizen utility.* Just as political entrepreneurs seek to maximize profits, members of the polity seek to maximize the value of collective goods supplied by the government. The rational member of any polity, whether in a democracy or not, seeks to maximize his utility. Citizens would prefer that revenues collected by the government be utilized in the production of collective goods, and that profits accruing to the political entrepreneur be kept minimal. Therefore profit maximization and citizen utility maximization tend to oppose each other. *Ceteris paribus,* members of the polity (citizens), put a greater value on a program which includes political competition and a lesser value on a program which means monopoly profits for a political entrepreneur.

Revolutionary programs, therefore, usually contain a promise for "constitutional rule" in the event the incumbent is overthrown. Examples of this strategy occur in the revolutionary campaigns of Francisco Madero, Bolivia's *Movimiento Nacionalista Revolucionario* (MNR) and Fidel Castro. Madero called for the creation of an opposition political party and laws against a president succeeding himself in office.[28] The MNR pledged democratic reforms and claimed that they had legally won an election competition. In Cuba, Fidel Castro called for the overthrow of a dictatorship and the return to the 1940 constitution.

V

Political Competition in a Democracy

AT THE HEART of this analysis of political competition is the question of the normality of democracy—whether government exists at the consent and initiative of the governed and leadership reflects that consent, or whether government is the product of profit-maximizing leadership. This study has generated the following propositions about democracy, repression, and revolution: (1) revolution can be the dominant strategy of political competitors, (2) dictatorship maximizes profit for the victor and necessitates repression of competition, and (3) democracy maximizes the value of goods received by the polity and necessitates some form of legalized political competition. These propositions can be formalized in terms of a generalized prisoner's dilemma of competition.

The profit levels of political competitors under different conditions are not fixed by theory but by complex variables of production and supply costs and of available resources. This means that the matrix can be a prisoner's dilemma, but also that the payoffs of the different cells can differ by so little that

political competition is not profitable enough to support competition. Certainly the relationship between costs of repression *vis-à-vis* profits of dictatorship is an important parameter. There may also be a broad threshold between a necessary dictatorship (which monarchies may have been) and the possibility of democracy. The levels of profitability would be expected to bear some relationship to resources available for payment of production costs of collective goods. Consequently, democracy may require some minimal level of resources. The level of resources, the costs and incomes of government, the cost of repression, and the value of collective goods are all variables that could be measured.

Rapoport and Chammah found that, over a series of exposures to prisoner's dilemma, players learned to cooperate.[29] The belief that a tradition of democratic government increases the probability of continuing democracy can be associated with the stochastic process that a series of changes of political leadership produces a learned behavior based on rewarding cooperation through increased profitability.

This analysis suggests that democracy is the optimum condition for the polity as it maximizes the value of collective goods supplied by the government. Since democracy requires a method of regulating rebellion and channeling political competition by coercion and tradition, it is democracy that requires the most complex explanatory system, not revolution.

In all parts of this study one underlying reality pervades: revolution and electoral politics are merely two forms of the same political phenomenon. Both involve the process of collective decision making as to whether an incumbent political entrepreneur should be replaced. In both cases the basis of the decision lies in the polity's evaluation of the goods of the competitors and the cost to individuals of support to a candidate. On the part of the political entrepreneur, whether he seeks electoral competition or repression is a question of calculated costs and profits. The method of choice is determined by calculation of individual costs, including the strength of and restraints on the incumbent government, the costs of repression, and the alternatives available. If electoral competition is allowed, a revolutionary coalition is difficult to organize. If repression is strong enough, revolution is aborted. Whether the political entrepreneur is a democrat or a dictator, he must hold his position on the basis of payoffs to members of the polity.

The theory of political competition as developed in this study demonstrates that game theory and prisoner's dilemma are important elements of descriptive models of political behavior. Political economic theory provides a framework which corresponds to much of what is known empirically. Better definitions

of the variables are needed in order to test the model satisfactorily as an important but still incomplete representation of complex reality.

Notes

1. One of the most salient efforts is based on Guillermo A. O'Donnell's *Modernization and Bureaucratic-Authoritarianism* (Berkeley: Institute of International Studies, Univ. of California, 1973). See James M. Malloy, ed., *Authoritarianism and Corporatism in Latin America* (Pittsburgh: Univ. of Pittsburgh Press, 1977), and David Collier, ed., *The New Authoritarianism in Latin America* (Princeton: Princeton Univ. Press, 1979).

2. Chalmers Johnson, *Revolution and the Social System* (Stanford: Hoover Institution of War, Revolution and Peace, 1964), terms revolution dysfunctional and Crane Brinton, *Anatomy of Revolution* (New York: Prentice-Hall, 1952), adopts the analogy of pathology in his analysis.

3. Moshe M. Czudnowski, *Comparing Political Behavior* (Beverly Hills: Sage, 1976).

4. For an exposition of the differing approaches of sociology and economics see Brian Barry, *Sociologists, Economists and Democracy* (London: Collier Macmillan, 1970).

5. Paul A. Samuelson, "The Pure Theory of Public Expenditure," *Review of Economics and Statistics,* Vol. 36, No. 4 (November 1954).

6. Mancur Olson, Jr., *The Logic of Collective Action: Public Goods and the Theory of Groups* (New York: Schocken Books, 1968).

7. John von Neumann and Oskar Morgenstern, *Theory of Games and Economic Behavior* (New York: John Wiley & Sons, 3rd ed., 1967). Also see Russell Hardin, *Collective Action* (Baltimore: Resources for the Future, Johns Hopkins Press, 1982), pp. 1–14.

8. Private suppliers of goods and services may provide collective goods and governments may enter the marketplace of private goods, but the basic distinction between politics and economics remains.

9. "The whole theory of political order becomes directly relevant to the demand and supply of public goods." James M. Buchanan, *The Demand and Supply of Public Goods* (Chicago: Rand McNally, 1968), p. 9; and "A State is first of all an organization that provides public goods for its members, the citizens." Olson, *Collective Action,* p. 15.

10. Hugh G. J. Aitken, "The Future of Entrepreneural Research," *Explorations in Entrepreneurial History,* Series 2, Vol. 1, No. 1 (Fall 1963), p. 6.

11. Arthur H. Cole, *Business Enterprise in its Social Setting* (Cambridge, Mass.: Harvard Univ. Press, 1959), p. 7.

12. Joel A. Tarr, "The Urban Politician as Entrepreneur," *Mid-America* 49 (January 1967), pp. 55–67; Charles A. Beard, *An Economic Interpretation of the Constitution of the United States* (New York: Macmillan, 1935); William L. Riordan, *Plunkett of Tammany Hall* (New York: Dutton, 1963).

13. Jesús Silva Herzog, "La Revolución mexicana en crisis," *Cuadernos americanos* (1944), p. 34.

14. Frank Brandenburg, *The Making of Modern Mexico* (Englewood Cliffs, N.J.: Prentice-Hall, 1964), p. 162.

15. James Q. Wilson, "The Economy of Patronage," *American Political Science Review,* Vol. 60, No. 4 (August 1961), pp. 369–80, proposes this model as an alternative to Downs' vote-maximization. Wilson uses examples from machine politics and stresses the use of private goods to ensure tenure in party positions.

16. Gordon S. Black, "A Theory of Political Ambition: Career Choices and the Role of Structure Incentive," *American Political Science Review,* Vol. 66, No. 1 (March 1972), pp. 144–59, presents this hypothesis along with a calculus of the politician's choice and empirical evidence. For a more extensive development of the concept of political entrepreneurship as applied to Latin America, see Wilber A. Chaffee, "Entrepreneurs and Economic Behavior: A New Approach to the Study of Latin American Politics," *Latin American Research Review,* Vol. 11, No. 3 (Fall 1976).

17. "Those who knew Castro when young agree that he had always a passion for an historic role, for cutting a figure on the Latin American political scene which would echo the liberators Bolívar or San Martín. To cut a dash is so universal a desire in political life that no one should be surprised to discover it among the Cubans." Hugh Thomas, *Cuba: The Pursuit of Freedom* (New York: Harper and Row, 1971), pp. 1052–53.

18. Anthony Downs, *An Economic Theory of Democracy* (New York: Harper and Row, 1957), pp. 12, 14.

19. Donald J. Mabry, *Mexico's Acción Nacional: A Catholic Alternative to Revolution* (Syracuse: Syracuse Univ. Press, 1973), p. 1. The characterization of an official party and a single competitor is a simplification for the sake of description. Introduction of the other competitors would not change the analysis.

20. *Ibid.,* p. 164.

21. Ernesto Guevara, *Che Guevara on Guerrilla Warfare* (New York: Praeger, 1961), p. 2.

22. Downs, *Theory of Democracy,* pp. 41–45, 103–09.

23. For a discussion of the definition of the prisoner's dilemma matrix see Anatol Rapoport and Albert M. Chammah, *Prisoner's Dilemma: A Study in Conflict and Cooperation* (Ann Arbor: Univ. of Michigan Press, 1965), pp. 33–34; also see Steven J. Brams, *Game Theory and Politics* (New York: Free Press, 1975), pp. 31–32.

24. Merle King, "Towards a Theory of Power and Political Instability in Latin America," *Western Political Quarterly,* Vol. 9, No. 1 (March 1956), 24. Italics author's.

25. Philippe C. Schmitter, *Interest Conflict and Political Change in Brazil* (Stanford: Stanford Univ. Press, 1971), pp. 382–83. Juan Linz's model can be found in his study "An Authoritarian Regime: Spain," in Erik Allardt and Yrjo Littunen, eds., *Cleavages, Ideologies and Party Systems* (Helsinki: Academic Bookstore, 1964), pp. 291–342. On Brazilian attempts to copy the Mexican system see Alfred Stepan, *Authoritarian Brazil* (New Haven: Yale Univ. Press, 1973), p. 65.

26. Anatol Rapoport, *Two-Person Game Theory* (Ann Arbor: Univ. of Michigan Press, 1970), p. 47. Italics in original.

27. John Platt has done an interesting set of empirical studies on prisoner's dilemma and the effect of it known as "social traps." Although there is considerable danger in trying to draw generalized conclusions about collective political behavior from individual laboratory studies, Platt found that both cooperative and conflictual mode of behavior became "locked-in" during the first few games played. See Platt, "Social Traps," *American Psychologist,* Vol. 28, No. 8 (August 1973), pp. 641–51.

28. Stanley R. Ross, *Francisco I. Madero, Apostle of Mexican Democracy* (New York: Columbia Univ. Press, 1955), p. 64.

29. Rapoport and Chammah, *Prisoner's Dilemma,* p. 201.