

BOOK REVIEW

THORNTON, C. (2021), *Revolution in development: Mexico and the governance of the global economy*. University of California Press.

Who sets the rules of governance of the global economy? What is the role of poorer nations within the international economic institutions who set the agenda for the whole world? How was the US hegemony constructed? What are the interactions between the Global North and the Global South during the global economic negotiations? Thornton's *Revolution in Development: Mexico and the Governance of the Global Economy* seeks answers to these questions in an unconventional way. In contrast to the conventional understanding in which countries like the United States act and construct global hegemony top-down and countries like Mexico react passively, she puts Mexican experts, economists, and state elites in a driver seat. She tells the story of how sometimes the United States reacted for and against the demands of the Global South and, therefore, negotiated with them through contention and struggle, which shaped its hegemony in the governance of the global economy.

Thornton offers writing the history of global economic governance "from the outside in", using sources from and focusing on perspectives beyond those of the United States and Europe (p. 6). There is no place for the "poorer" "weaker" nations in conventional historiography while the advanced powers negotiate and make decisions regarding global economic arrangements and institutions. However, Thornton asks, then why Mexico was offered a seat as a third commission at the Bretton Woods Conference -ignored mostly in the history of international affairs-, tasked with "Other Means of International Financial Cooperation" along with the United States as the rising hegemon and Great Britain as the declining hegemon? (p. 79).

Revolution in Development is a 10-chapter well-written book that puts Mexico's efforts in the international area in the center to challenge the standard historiography by departing from "perspectives that seek to explain the rise of US hegemony as a consensus project" (p. 7). Instead, she argues that US hegemony is

constructed through recurring contention and struggles of Latin American and other Third World countries. To do that, she uses both Mexican state sources and US and European archival sources. When they are analyzed together, sometimes what was ignored in the records of powerful states can be found in Mexican sources. She describes her methodology as delving into Mexican sources, sometimes along with and sometimes against the Northern records.

In the introduction, Thornton discusses which theoretical concepts she uses, which kind of theoretical understanding of hegemony is taken into account in the book, why she adopted the methodology of “from outside in”, and why she chose the Mexican case. She traces the patterns of Mexican advocacy for international economic reforms during the twentieth century. At first glance, Mexico is a strange case to choose for understanding twentieth-century global economic changes, she argues, since it is famously known for economic nationalism. However, throughout the book, we see that Mexico’s experts and state elites act as influential figures in the international arena to accomplish its goals within the borders and to redraw the governance of the global economy, most of the time for the sake of their own agenda.

The historical trajectory that book follows begins with Mexico’s 1917 Constitution, in which Article 27 challenged the liberal conception of private property. Even though the draft version of the constitution that Carranza introduced was conservative and focusing on liberal democracy and political rights, Thornton argues that still-powerful labor and rural factions of the revolutionary struggle fought for social rights. Therefore, Article 27 specifies that the state could seize private ownership in the name of public well-being. The redefinition of property is constructed as vested “not in individual owners but in the Nation” (p. 19). In addition to that, the Carranza Doctrine focuses on the diplomatic equality of nations and mutual respect for their sovereignty (p. 20), meaning that any private interest could not be imposed on a nation by diplomatic channels. By using these discourses, Mexico pushed powerful states to recognize other states in equal terms. During the period of the Paris Conference in 1919, Mexican representatives insisted that they do not recognize any “forced tutelage” of Latin America by the US (p. 24). Therefore, Mexico became the spokesperson for Latin American countries throughout the years.

Chapters 2 and 3 trace the shift from the question of representation to the redistribution of capital from the North to the South. Mexico had been excluded from foreign credit markets as they could not keep their promise to review claims made by those whose property had been confiscated during the Revolution (p. 41), in addition to the inability to pay debts. However, in the context of the Great Depression, Mexico was not alone on debts. Therefore, Mexican representatives

appoint themselves as the leading figure for all Latin America to advocate for a new theoretical understanding of debtor and creditor. They not only argue that debtor and creditor countries are mutually responsible to get rid of the mutual sufferings, but also sustainability of the global economy and capitalism are based on interdependence and solidarity (p. 53). Later on, Mexico and its Latin American allies convince US officials of the utility of a permanent institution, that is, the Inter-American Bank. However, Thornton shows that the recognition of the benefits of such an institution by US state power could not overcome the strong opposition of US private business interests (p. 78).

After the Second World War, at Bretton Woods, Mexico and other Latin American countries were there to demand what they had sacrificed during war-time. Like many others, Mexico had agreed not to sell strategic materials to non-American countries during the war (p. 81). They were affected by the deleterious effects of the market crisis since Latin American countries had export-oriented economies and were selling primary goods to industrialized ones. They needed long-term programs for development projects and an institution to facilitate the circulation of primary goods (pp. 87-88). While the dominant issue was reconstruction for Europe after the war, Latin American and other Third World countries, in the leadership of Mexico, ensured that newly coming institutions “would cover both reconstruction and development” (p. 96). Although, efforts for both the IAB and a reformed ITO, which was supposed to include amendments regarding the demands of developing countries, could not be materialized because of the US capitalists’ power to negate the proposals, Mexican officials had secured some of their demands from the US to ‘make Mexico major recipient of capital from the new development institutions’ (p. 144).

After its reconciliation with foreign capital by the 1950s, Mexico received several loans from the World Bank, composing a large share in World Bank lending in Latin America (p. 146). Until the 1980s, different administrations follow an industrialization path through import-substitution. In Chapter 7, Thornton examines how “the Mexican miracle” was accomplished through foreign loans and investment, following the debt crisis in the end, and what political consequences had been underway for long-advocated Mexican leadership of reform ideas of developing countries. This time, Mexico mostly played little or no role regarding Third World demands against the Global North. Mexico’s position in the global governance shifted from the opposition for the sake of developing worlds and equality of nations in order to reshape the existing development institutions to “defending the existing apparatus” (p. 150). Thornton shows how Mexican leaders, delegates in economic conferences, and economy experts “chose to follow, rather than lead”, trying to stay close to the US, and defending the status quo (p. 165) as

they were defined by the World Bank “doing pretty good job of economic development” (p. 164).

In Chapter 8, Thornton examines how Mexico and its populist administration under Echeverria turn the leadership of the Third World once again by synthesizing their advocacy for Third World in the name of restructuring international economic institutions with a “foreign-capital-friendly developmentalism” (p. 166) by proposing the Charter of Economic Rights and Duties of States in which joint responsibility of both weaker and powerful countries was remembered. By using increased socialist threats against the US in the Third World, Mexico became an interlocutor between non-aligned countries and the US while aiming to protect their access to foreign credit. Therefore, Mexican leaders negotiated with both US powers and Third World countries who did not have access to what Mexico had. Thornton argues that the position of Mexico, seeming to restructure existing apparatus, was not to overthrow global capitalism but to construct rules for all (p. 189).

Thornton argues that after the neoliberal turn, with increased foreign debts, Mexico’s corporatist developmental project was dismantled by the same institutions from which the Mexican miracle benefited. What began as a call for equal representation and distribution falls short in times of good relationship with the US. However, this does not mean that Mexico was just a secret ally of the US, disguising its actual position. Instead, it played contradictory but significant roles in the international area that culminated in the support of developmental projects for most of the world by powerful states but a dissolution of what they had in the end. Therefore, the book concludes that the US “learned to rule” during the twentieth-century negotiations, by forces of Third World in general, and Mexico in particular.

Although the book consists of the stories of well-educated upper-class Mexican elites and state representatives, it shows how they were seen as subordinates in the eyes of the Global Northern elites during the negotiations. Thornton shows the readers how Mexico’s presence in global economic governance mattered by putting it in the center. One of the merits of the book is to show the possibility that future scholarship can put other countries in the center as well and rewrite what was forgotten. Thornton completes what she promised as a new way of looking to international affairs with great success. Moreover, she argues that what Mexico did and did not achieve in the past can be a guide for future struggles of Third World countries with lessons learned. The book offers powerful insights for different audiences, standing a multidisciplinary work comprising economy, development sociology, and international affairs.

References

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