

the cataclysm of the final decades of the twentieth century. By showing that the ideas that emerged as new in the 1970s, 1980s and 1990s had roots in the repertoire of mid-century ideas and practices, Offner makes a highly persuasive, compelling and interesting argument.

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## **Gustavo A. Flores-Macías (ed.), *The Political Economy of Taxation in Latin America***

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Latin America has a tax problem. In *The Political Economy of Taxation in Latin America*, Gustavo Flores-Macías gathers together ten scholars from Europe, Latin America and the United States to explain why. They address three overlapping questions: Why do Latin American countries tend to feature comparatively low levels of taxation? Why do they rely on regressive fiscal policies? And what explains intra-regional variation in taxation? In general, the contributors examine tax policies amid the region's bountiful commodity boom from 2002 to 2014. For people wanting an introduction to taxation in Latin America, the volume offers an engaging and compelling overview. Specialists will find insights and puzzles that can stimulate research. This book succeeds on all fronts.

Firstly, Latin American countries feature low levels of taxation compared to advanced industrial countries and other developing states. A variety of factors accounts for this fiscal underperformance. Business elites are strong and prefer low taxation (Tasha Fairfield, Chapter 7); so too do foreign capitalists. Consequently, governments have kept taxation low and focused on revenues that are easy to collect, such as commodity and value-added taxes (Flores-Macías, Chapters 1 and 10). Policymakers are also constrained by a lack of state capacity. They have incomplete or outdated taxpayer rolls, which enables evasion and produces inequities. Incapable states lead many people to conclude that taxation is not a viable route for economic redistribution (Juan Bogliaccini and Juan Pablo Luna, Chapter 9). Yet fiscal inequities are not merely due to weak state capacity. Marcelo Bergman (Chapter 3) points out that taxing the informal sector would inject fairness into the system but would harm allies of populist governments; instead they remain wedded to volatile commodity revenues.

Secondly, most Latin American countries concentrate on regressive fiscal policies. James Mahon (Chapter 8) illustrates the dearth of personal income and property taxes in Latin America, compared to other world regions. He persuasively

argues that this disparity is the crux of Latin America's tax problem. One might anticipate progressive policies, however, because of the region's notorious income inequality and largely democratic politics. The status quo reflects elites' preferences for regressive taxation (Fairfield; Mahon). A less regressive system would be more 'neutral', meaning it would treat people similarly. Mark Hallerberg and Carlos Scartascini (Chapter 6) show that between 1990 and 2004 Latin American countries became less neutral. They link regressive systems to places where the 'personal vote' prevails. In addition, the recent resource boom has allowed countries to avoid grappling with their inequitable systems (Bergman; Flores-Macías). Perhaps most importantly, Latin American governments lack the state capacity needed to extract more elusive forms of revenue (Bogliaccini and Luna; Flores-Macías; Mahon). And public officials, especially at the local level, seem disinclined to seek greater income and property taxes (Bergman).

Thirdly, one nonetheless finds variation in Latin America. Brazil is remarkable: in recent years, it extracted tax revenues equal to 34 per cent of GDP in contrast with the regional average of 19 per cent. Aaron Schneider (Chapter 5) richly documents the evolution of Brazilian taxation since the late nineteenth century. He focuses on how factions of rising and declining elites have sparred and yielded a series of reforms and counter-reforms. Gabriel Ondetti (Chapter 4) contrasts Brazil to Chile and Mexico. He attributes Brazil's relatively high taxation to its strong unions and disorganised elites; Chile and Mexico feature weaker unions and more unified elites. Ondetti maintains that elites in Chile and Mexico also draw upon prior threats to property rights (under Salvador Allende and Lázaro Cárdenas, respectively) to mobilise against taxation. Fairfield likewise focuses on elites' power and ability to forge coalitions to account for differences in Argentina, Bolivia and Chile. Other chapters broach regional variation indirectly, such as when Francisco Monaldi (Chapter 2) describes tax policies towards oil sectors or when Bergman identifies why populist leaders are reluctant to tax the informal sector. These chapters offer tantalising avenues for future inquiry.

This volume provides an expert outline of taxation in Latin America and shows how little has changed during the recent commodity boom. Continuity is a theme. Authors repeatedly diagnose the region's tax woes with reference to the power of economic elites and middling levels of state capacity. Because most of the chapters are contemporary analyses, a casual reader might miss the extent to which these factors are long-standing. (My worry applies less to readers of *JLAS*.) For example, regressive policies date from at least the nineteenth century, when elites shielded themselves from taxation. Elites are similarly implicated in stunting the region's economic and institutional development, and thereby obstructing its fiscal progress. Mahon's and Schneider's chapters do well to excavate these deep causes, but I would have preferred more linkages between the past and present.

I would have also liked more discussion of how clientelism fits into the political economy of taxation. Clientelism is a key part of the region's 'nonprogrammatic' politics. (On this concept, see Susan Stokes *et al.*, *Brokers, Voters, and Clientelism: The Puzzle of Distributive Politics*, Cambridge University Press, 2013.) Clientelism impedes collective action, which might elucidate why Latin Americans paradoxically express preferences for greater redistribution yet regard taxation as a low-salience issue (Bogliaccini and Luna; Fairfield). The selective

enforcement detailed by Bergman shows how taxation is inseparable from nonprogrammatic politics. Interestingly, Chile and Uruguay were the first in the region to extract more elusive forms of revenue (Mahon, pp. 206–7); today, they have the region's most programmatic politics (Bogliaccini and Luna, p. 226). Attention to nonprogrammatic politics might help unravel the interconnections between elite power, historical state formation and contemporary taxation.

This volume suggests that Latin America may be stuck in a corrosive equilibrium. Because the state is ineffectual at supplying public goods, people evade taxes, and few of them are punished for noncompliance (Bergman). Meanwhile, this low-capacity environment renders people sceptical that higher taxation would expand public goods provision and reduce inequality (Bogliaccini and Luna). The contributors demonstrate a variety of reasons for the region's underwhelming fiscal performance. They also indicate the contours of a research agenda that might account for variation within the region. *The Political Economy of Taxation in Latin America* is a fine edited volume. It offers chapters that stand alone on their individual merits and complement each other to produce a sum that is greater than its parts.

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**Keila Grinberg, *A Black Jurist in a Slave Society: Antonio Pereira Rebouças and the Trials of Brazilian Citizenship* (Chapel Hill, NC: University of North Carolina Press, 2019), pp. 226, \$ 29.95, pb.**

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The translation into English by Kristin M. McGuire of Keila Grinberg's *O fiador dos brasileiros* (2002) as *A Black Jurist in a Slave Society* is a needed addition to the literature on race, citizenship, politics and the law in Latin America. The book makes available to Anglophone readers an important and empirically driven examination of the fault lines of race, slavery, citizenship and the law in the creation of modern Brazil through the political and legislative career of Antônio Pereira Rebouças, a free man of colour in a society that thrived on slave labour. Brazil specialists are well familiar with Grinberg's research, which has been published in Portuguese and English in journals, as book chapters and as monographs. Her careful study of freedom lawsuits by the enslaved in *Liberata: A lei da ambigüidade* (1994) sheds light on slaves' understanding of Brazilian legal culture and their uses of the law to expand access to freedom. The product of her PhD thesis, Grinberg's biography of Rebouças engages with important debates on the inherent tensions between liberalism and slavery and their significance to postcolonial state formation in Latin America.