Vicios publicos, virtudes privadas: La corrupcion en Mexico (review)

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linking the study of crime to larger issues and processes, Buffington has presented a compelling and heretofore little understood case for the role that criminologists and penologists played in the elite construction of identity and nation-building.

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Vicios públicos, virtudes privadas: La corrupción en México. Edited by Claudio Lomnitz. Mexico: Centro de Investigaciones, 2000. Pp. 291. Notes. $13.00 paper.

The authors in this collection treat corruption in Mexican politics and society as cultural in origin. Neither editor Claudio Lomnitz nor the other contributors, however, see culture as an eternal, unchanging yesterday but rather as subject to evolutionary forces. For this reason corruption is a moving target and, as Lomnitz admits, difficult to "reduce to a clear and precise analytical category" (p. 12). Still, he does identify three major themes that form the basis of the book's three-part division: 1) that transformation of the definition and discourse of corruption over time is indicative of Mexico's political, economic, and cultural transformation; 2) that administrative and political corruption play a role in the formation of social classes; and 3) that there is a functional relationship between corruption and forms of political representation (p. 11).

The first section lays out corruption in the "old regime" (defined very broadly as "del mundo colonial al (des)orden republicano"). Solange Alberro's investigation of clerical transgressions reveals that sixteenth-century Spanish did not have a word for corruption. Rather officials might be charged with abuse, negligence, bribery and so on in the public sphere or, in the private sphere, with creating scandal or living an evil life. But, as Enrique Semo points out, the line between the public and the private was in any case imaginary, which Linda Arnold echoes in her discussion of Mexico's corporate social organization. Indeed, neither Bourbon nor liberal nor revolutionary state-builders were able to replace corporate social orders with rational institutions; thus, corruption remained something in the eye of the beholder. Friedrich Katz makes this clear both in his account of the revolution, when perceptions of corruption shifted according to what faction was in power, and in his own *sui generis* definition of corruption which he equates with failure to reform—essentially reflecting his criticism of specific policies rather than corruption per se. But that is exactly the point of the collection; there is no "per se."

Part two focuses on corruption and class formation in the twentieth century. For me these are the most interesting essays but also the most problematic because they really do not address class formation. Rather they deal with the construction of cross-cutting inter- and intra-class political networks typical of corporate societies, that is camarillas and clientalism, which Guillermo de la Peña characterizes as "informality" (p. 113). While the effects of informal operation may sometimes be positive, allowing entrepreneurs to get around burdensome government regulations that throttle initiative, more often the powerful use their positions for tribute-taking

in ways that recall Hapsburg prebendism, in effect imposing hidden (informal) taxes on business. Even individuals who rise from the popular classes to positions of authority are not free from this disposition as Daniel Nugent shows in "la corrupción a bajo nivel." Indeed, Alfonso Ramirez states unequivocally that corruption is "intrinsic" to Mexican entrepreneurial culture while Francisco Valdés Ugalde writes (Bulnes-like) of a "cleptocracia" (p. 145). Under these conditions, as Luis Astorga details, it is to be expected that the immense profits from illegal drugs would produce a parallel power structure within the Mexican government.

I have only one real criticism of this fine collection. All of the authors refer, either explicitly or implicitly, to Iberian tradition embodied in the phrase *obedezco pero no cumplo*. The implications of this "distinct tradition" for Mexico and Latin America have been well explored by Richard M. Morse, Glen C. Dealy, Ronald Newton, Jose Fernández-Santamaría, Louisa Schell Hoberman, Howard Wiarda, Claudio Véliz, and many others, none of whom are cited. Now that the role of culture in political and economic development is receiving enthusiastic scholarly attention, the neglect of scholars who pursued this line of inquiry when it was unfashionable is a shame. Although not cited, their ideas reverberate in these essays to a degree that cannot and should not be ignored.

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Financial Decision-Making in Mexico: To Bet a Nation. By Sidney Weintraub. Pittsburgh: University of Pittsburgh Press, 2000. Pp. xx, 212. Notes. Bibliography. Index. $19.95 paper.

The disastrously bungled devaluation of the Mexican peso in 1994, what Carlos Salinas self-servingly called "el error de Diciembre," was a milestone in international financial history, precursor to the Asian and Brazilian financial crises of 1997 and 1998, and now the stuff of textbooks. The lesson to be drawn from the episode is deceptively simple: governments kid themselves about exchange rates to their everlasting sorrow. In Mexico, until December 20, 1994, the exchange rate of the peso was about 3.5 to the United States dollar with a planned annual depreciation of some 4 percent. On that date, a 15 percent devaluation was announced, but as Sidney Weintraub writes in his absorbing account of the catastrophe, "all Hell broke loose" in the financial markets. Two days later, the peso was allowed to float. By December 1995, it had fallen to 7.6 to the US dollar. In the meantime, a brutal economic contraction had ensued, the worst, Weintraub speculates, since the Revolution, working hardship on untold millions of Mexicans and destroying the political career of Jaime Serra Puche, the Finance minister who presided over the debacle. The mess probably paved the way for the election of Vicente Fox and the ejection of the PRI from the presidency as well.

The subtitle of the book, we might say, is "Why Smart People Do Dumb Things," and this is the topic that fascinates Weintraub. How could a bunch of bright, well-