Popular Mobilization, Elections and Democratic Instability in the Andes

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SINCE THE MID-1990S, PRESIDENTS HAVE been removed from office or forced to resign in the central Andean countries of Peru, Bolivia, and Ecuador. This evolution of leadership begs us to consider whether or not a pattern emerges from these cases, and whether these events are an indication of future trouble for the current practice of liberal democracy in all Latin America countries.[1]

The central Andean countries were among the earliest Latin American nations to make the transition to democracy.[2] None of these three nations suffered the worst of the bureaucratic-authoritarian regimes that afflicted Brazil and the Southern cone, nor the more conventional military dictatorships of Central America. Peru and Ecuador spent most of the 1970s under socially progressive military rule, while Bolivia experienced the prolonged conservative dictatorship of Hugo Banzer (1971-1979).

Conservative military regimes removed the reformist governments of Peru and Ecuador. These regimes eventually negotiated transitions to democracy, including the drafting of new constitutions. The Banzer regime in Bolivia also negotiated a transition to democracy. All three transitions took place in a context of serious economic crises that were caused by unsustainable international debts in the late 1970s and early 1980s.

While the new democratic regimes did not completely fail, they were neither stable nor successful. After the initial transitions there were no successful military coups, and through the 1980s, all elected presidents completed their terms (except Jaime Roldós in Ecuador, who died in a plane crash). None of the democratically elected governments dealt successfully with the multiple economic and social problems confronting

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their countries as fragmented and inchoate party systems prevented all from establishing stable governing coalitions.[3] These democratic regimes have persisted, in part because of external factors such as U.S. foreign policy, which has consistently favored the establishment and maintenance of formal democracy since the mid-1980s.

LIBERAL DEMOCRACY AND POPULAR MOBILIZATION

As in the rest of Latin America, these three countries adopted the liberal model of democracy. Through the protection of individual rights and constitutional checks and balances, liberal democracy is systematically structured to limit the power of popular majorities and to protect minorities from "majority tyranny." To function well, liberal democracy needs effective political parties and institutionalized party systems that can mobilize and channel popular participation.[4] Unless most citizens at least vote in competitive elections, a regime may scarcely be called democratic. On the other hand, popular participation that escapes such institutionalized channels as voting or involvement in established interest groups such as labor unions can also threaten political stability. Liberal democracy entails a difficult balance between mobilization and control, in which parties and party systems are critical actors.

None of these three countries has developed such a highly institutionalized party system. In fact, few individual parties have achieved substantial organizational stability, or institutionalization. In Bolivia, only the Movimiento Nacional Revolucionario (MNR) may be considered institutionalized, and in Peru only the Alianza Popular Revolucionaria Americana (APRA) meets this criteria. Ecuador has not developed any highly institutionalized political party. Even institutionalized parties have not consistently mobilized and guided popular majorities. Instead, more often than not, temporarily potent personalist leaders such as Alberto Fujimori in Peru (1990-1999), or ad hoc coalitions like that which elected Jaime Paz Zamora in Bolivia in 1989, have frequently defeated national parties.

As long as the popular majorities—rural peasants and urban shantytown dwellers—remained relatively passive, these inchoate party systems could eke out minimally stable governments. But the combination of persistent economic crisis and surging popular organization and mobilization has posed major challenges to stability in all three countries.

ECONOMIC CRISIS AND GLOBALIZATION

Along with the rest of Latin America, Ecuador, Bolivia, and Peru suffered severe economic and social downturns during the 1980s. Even with the addition of the higher

growth periods of the 1990s, Table 1 shows that growth rates were negative overall for twenty-five years (Bolivia and Peru), or stagnant (Ecuador). Looking only at the 1990s, Ecuador actually saw a worse performance, while Bolivia and Peru improved.

Table 1: GDP Per Capita Annual Growth Rate

	1975-2000	1990-2000
Bolivia	-0.5	1.6
Ecuador	0.2	-0.3
Peru	-0.7	2.9

SOURCE: United Nations Development Program 2002, 190-193.

The UN Development Program's Human Development Index summarizes living conditions, taking into account not only GDP per capita, but also education and life expectancy. Each country shows a very slow improvement over this period, indicating that they managed marginal improvements in education and life expectancy even without economic growth.

Table 2: Human Development Index Trends, 1975-2000

	1975	1980	1985	1990	1995	2000
Bolivia	0.514	0.548	0.573	0.597	0.630	0.653
Ecuador	0.627	0.673	0.694	0.705	0.719	0.732
Peru	0.641	0.669	0.692	0.704	0.730	0.747

SOURCE: United Nations Development Program 2002, 153-156.

Table 3: Income Inequality

	Ratio: Richest 10 percent To Poorest 10 percent	Gini Index (of Income Inequality)
Bolivia	24.2	44.7
Ecuador	15.4	43.7
Peru	22.3	46.2

SOURCE: United Nations Development Program 2002, 194-197.

The data shows that all three economies were stagnant or shrinking over a long period, health and educational conditions improved slowly, and the distribution of income remained extremely unequal. As Table 4 on debt service indicates, the result has been considerable fiscal distress.

TABLE 4: DEBT SERVICE AS PERCENT OF GDP AND EXPORTS

	GDP		Exports	
	1990	2000	1990	2000
Bolivia	7.9	8.0	38.6	39.1
Ecuador	10.1	9.4	32.5	17.3
Peru	1.8	8.1	10.8	42.8

SOURCE: United Nations Development Program 2002, 203-206.

By this measure, Bolivia has consistently experienced trouble, Ecuador has improved, and Peru has deteriorated.

Under these circumstances, successive democratically elected governments in all three countries have had to deal with acute economic problems, ranging from massive un- and under-employment to hyperinflation. They have come under pressure from the United States, the International Monetary Fund, the World Bank, and the Inter-American Development Bank to adopt neo-liberal economic reforms such as reductions of trade barriers, privatization of government-owned firms, and cutting of government benefits, even though these measures exacerbated distress among large parts of their populations. The argument was that these reforms would benefit the whole society in the long run, but many poor and middle class citizens consistently doubted that they would ever see substantial gains from these policy changes.

POLITICAL CRISES

By the beginning of the 1990s, the accumulation of political and economic difficulties triggered political crises. The advent of liberal democracy opened spaces for the organization of the poor, both urban and rural.[5] In Peru, Alberto Fujimori was elected President in 1990 as an antiparty candidate after the two preceding presidents (Belaúnde and García) had discredited themselves and their respective parties by failing to deal effectively with either the Shining Path insurgency or the poor economic conditions. Fujimori used his popular support to stage an *autogolpe* (literally, "self-coup") and concentrate more power in his own hands. His success in controlling inflation and in

quelling insurgency enhanced his popular support and allowed him to push through a constitutional amendment allowing his reelection, which he then secured in both 1995 and 2000.[6] However, by the 2000 election, economic conditions had worsened and his popular support had declined. His opponent in that election, Alejandro Toledo, accused Fujimori of fraud and withdrew. Weeks later, when a videotape was leaked showing Fujimori's principal adviser, Vladimiro Montesinos, bribing a member of congress, Toledo mobilized popular protests that forced Fujimori to take refuge in Japan and fax his resignation to the Peruvian legislature. In new elections held in late 2000, Toledo defeated former United Nations Secretary General Javier Pérez de Cuellar. Unfortunately, Toledo proved so ineffective that his popular support dwindled amidst persistent charges that he had failed to fight poverty or provide jobs, in spite of a growing economy.[7] At the end of 2003, Toledo's popular Prime Minister, Beatriz Merino, was undermined by false rumors about her homosexuality, which might have been spread by allies of the president. After less than half a year in office, Toledo accepted her resignation and that of the cabinet. With his approval rating wavering at around ten percent, calls for his resignation are becoming louder, and his ability complete his term in 2005 is questionable.

In Ecuador, diverse organizations of indigenous peoples came together as early as 1986 to form CONAIE (Confederación de Nacionalidades Indígenas del Ecuador). The group's formation was a response to the opening provided by the transition to democracy that began in 1978, and to the persistence of widespread economic distress and extreme inequalities that particularly impacted the indigenous peoples of the highlands and the Amazon basin. Although one might argue that every Ecuadorian president since the transition has failed to deal effectively with the economic and social challenges confronting the country, it was only in the 1990s that popular mobilization profoundly affected the political system. In 1990, 1992, and 1994, CONAIE led popular movements that largely shut down the country over such issues as land reform, jobs, and education. In 1996, Ecuadorians elected the populist Abdalá Bucaram to the presidency. He mobilized support through his opposition to neoliberal economic and social policies. When he sharply reversed his stances after taking office, popular protests pressured the congress to impeach him and remove him from office. Indigenous movements and parties played a powerful role in the 1997-1998 constituent assembly, gaining the adoption of new collective rights and principles.[8] Bucaram's successor, Jamil Mahuad, sought to stabilize the economy by adopting the U.S. dollar as the official currency, but he faced widespread protests and was ultimately ousted in 2000 by another CONAIE uprising that was supported by a sympathetic sector of the Armed Forces. Pressure from the United States prevented that coalition from organizing a new government, and the constitutional succession was followed. However, in the 2002

elections, the former colonel who had supported the overthrow of Mahuad, Lucio Gutiérrez, was elected with the strong support of CONAIE and of Pachakutik, the indigenous-based political party. Pachakutik was actually represented in the Gutiérrez government, but when he too adopted a neoliberal position and made peace with the more conservative political and economic sectors, the Pachakutik ministers resigned, and the party rejoined the opposition. Gutiérrez's position remains extremely fragile at the time of writing.[9]

Bolivia has an even longer and deeper tradition than Ecuador of political organization by indigenous groups, workers, and peasants. These sectors were critical in bringing about the Revolution of 1952 and the important social, economic, and political changes that took place thereafter. This tradition of organization survived the military dictatorships of the 1960s and 1970s, and has been a constant presence in Bolivian politics since the transition to democracy in the late 1970s and early 1980s. Nevertheless, after the initial failure of President Hernan Siles Zuazo (1982-1985), a succession of presidents served out their terms with minimally effective governing coalitions.[10] However, the increasingly extensive and effective organization of peasants, workers and indigenous peoples led to the near victory of Evo Morales, a leader of coca growers in eastern Bolivia, in the presidential election of 2002.[11] Former president Gonzalo Sánchez de Losada (1993-1997) was elected by the Congress, but was forced to resign in 2003 due to widespread popular protests against his neoliberal economic policies. The deaths of several protesters at the hands of police exacerbated popular outrage. His successor, Interim President Carlos Mesa, simply sought to maintain order until new elections could be organized.[12]

In summary, the democratic regimes in these three countries are so fragile that determined popular mobilizations have brought about the premature departure from office of at least one president in each country in the last decade. At issue in each case are neoliberal economic policies that are criticized for doing little or nothing about persistent poverty, unemployment, and escalating economic inequality. The sources of aid and loans continue to insist that all will benefit from such policies in the long run. However, it is apparent that critics of these policies can now readily mobilize large numbers of militant protesters, while advocates show no similar capability.

IMPLICATIONS FOR DEMOCRACY IN LATIN AMERICA

In the framework developed by Samuel Huntington, these new democracies would appear to be suffering a crisis of governability attributable to the expansion of political mobilization beyond the capacity of political institutions to maintain order.[13] If the problem is defined this way, the answer may be to demobilize the population in order

to enhance stability. It was the perception of such a crisis of governability that led to the emergence of bureaucratic-authoritarian regimes in the Southern Cone in the 1970s, with the precise purpose of political demobilization.[14]

Alternatively, the problem may be seen as a sign of the success of democratization, measured by the increased levels of organizational and mobilizational sophistication among the poorer segments of the population. According to this view, the goal is then to strengthen the institutions of democracy in order to make them better able to represent and respond to the expressed popular will.

Democratic institutions in these three countries are weak, in part because they are all relatively new democracies that have not had much time for institutionalization. A strong presidency and parliament, durable parties, and a stable party system cannot be created overnight. Therefore, we should not be surprised to see political instability. However, instability is currently much worse in all three countries, than it was in the 1980s. In both Bolivia and Peru, parties that were well institutionalized in the 1980s (MNR in Bolivia, APRA in Peru) have been virtually wiped out in the 1990s. This was not the case in Ecuador only because it never developed institutionalized parties. Despite the extremely difficult economic, social, and political challenges that each country faced in the 1980s and early 1990s, no president was forced out office until 1996.

Political instability also stems in part from persistent economic and social conditions that governments have been unable to ameliorate. Indeed, many of the governments in these cases have exacerbated their plight by vigorously pursuing unpopular neoliberal economic policies in violation of their own campaign promises.[15]

Finally, the marked deterioration of political stability may be attributed partially to the external environment. It is fair to acknowledge that U.S. policy in the 1980s had a great deal to do with the wave of democratic transitions in the region. But the insistence of the United States and the major lenders that agree with the United States' strategy on a neoliberal economic program centering on structural economic adjustment placed the Andean governments in an increasingly untenable position.

What Central Andean Democracy Means for Latin America

Are these recent developments in the three Andean states harbingers of trouble for democratic regimes elsewhere in Latin America? I would argue that they are. It is not surprising that symptoms of trouble are first emerging in the weaker democracies, whose institutions are incapable of coping with the challenges of popular mobilization. Venezuela was among the most stable of Latin American democracies fifteen years ago, and today is in the midst of a prolonged crisis similar to what we have seen in the Central Andes.[16] In 2001, President Fernando de la Rua of Argentina was also forced to

resign because of popular protests against his neoliberal economic policies. The Dominican Republic is currently experiencing mass popular protests against neoliberal policies, which may threaten the stability of the government. Save perhaps Costa Rica and Uruguay, no democracy in Latin America can be considered stable and secure.

As a direct consequence of successful democratization, neoliberal economics is no longer politically sustainable. Its record over a quarter century has been spotty by the most favorable interpretation, and has clearly failed to fulfill the promise that everyone would eventually benefit. How long should the Latin American poor be expected to wait for the long term to end? The poor are growing increasingly impatient and better positioned to assert their democratic rights. Political leaders are increasingly caught on the horns of a dilemma: either conform to the neoliberal prescription, in hopes of gaining external aid and investment but risk being ousted by popular protest (e.g., Gonzalo Sánchez de Lozada), or defy the prescription and gain popular support but fail to deliver on promises because aid and investment will be withheld (e.g., Hugo Chávez).

In principle, democracy is still the best political system for the majority, but it will not survive in most of Latin America without a significant reorientation of economic policy and a concomitant change in U.S. policy. This does not advocate a return to the import substitution industrialization (ISI) strategy, which clearly outgrew its usefulness. Instead, Latin America now needs governments with strong popular support that actively manage their economies to promote export-oriented, job-producing growth. Moreover, Latin American governments will only attain these objectives if they come together to work for politically responsible governance of the global economy, focusing on the effective regulation of wages, working conditions, environmental impact, and capital movement.[17]

The government of the United States and U.S.–based investors need to recognize the political and economic unsustainability of the neoliberal economic model, and to realize that it is also in their interests to stabilize the global economy by crafting a system that meets the needs of the Third World poor. If the United States continues to try to enforce neoliberalism, it risks the political collapse of most Latin American democracies and possibly popular revolution.

NOTES

1. An earlier version of this article was presented to the Middle Atlantic Council of Latin American Studies, Muhlenberg College, Allentown, PA, 20-21 February 2004.

2. Catherine M. Conaghan and James M. Malloy, *Unsettling Statecraft: Democracy and Neoliberalism in the Central Andes* (Pittsburgh: University of Pittsburgh Press, 1994); John Peeler, *Building Democracy in Latin America* (Boulder: Lynne Rienner, 1998): Chapter 3.

3. René Mayorga has argued that Bolivia was actually more stable than might be expected because all presidential candidates would receive a minority vote and, under the Bolivian constitution, would have to build a coalition in the congress to secure election by congressional vote. The candidate who was victorious in congress would thus start his term with a viable coalition, whereas in Ecuador or Peru, the top two candidates would face a runoff election, the winner of which would inevitably lack a viable legislative coalition. See also Peeler, *Building Democracy*, 85-87. This pattern may now be changing, as we will discuss below.

4. Scott Mainwaring and Timothy Scully, eds., *Building Democratic Institutions: Party Systems in Latin America* (Stanford: Stanford University Press, 1995).

5. John Peeler, "Social Justice and the New Indigenous Politics: An Analysis of Guatemala, the Central Andes, and Chiapas," in *What Justice? Whose Justice?* ed. Susan Eva Eckstein and Timothy Wickham-Crowley (Berkeley: University of California Press, 2003): 257-284.

6. Javier Corrales, *Presidents Without Parties: The Politics of Economic Reform in Argentina and Venezuela in the 1990s* (University Park: Pennsylvania State University Press, 2002); Kurt Weyland, *The Politics of Market Reform in Fragile Democracies* (Princeton: Princeton University Press, 2002).

7. Peter Klarén, *Peru: Society and Nationhood in the Andes* (New York: Oxford University Press, 2000); Alberto Adrianzén, "Perú: Adiós a la izquierda," *Nueva Sociedad* 157 (1998): 75-86; Drew Benson, "Peru to Install New Cabinet After Scandal," <http://washingtonpost.com>, 15 December 2003.

8. Robert Andolina, "The Sovereign and Its Shadow: Constituent Assembly and Indigenous Movement in Ecuador," *Journal of Latin American Studies* 35 (2003): 721-750.

9. Allen Gerlach, *Indians, Oil, and Politics: A Recent History of Ecuador.* (Wilmington: Scholarly Resources, 2003); Alfredo Ramos Jiménez, "Viejo y Nuevo: Partidos y sistemas de partidos en las democracies andinas," *Nueva Sociedad* 173 (2001): 65-75; José Antonio Lucero, "Crisis and Contention in Ecuador," *Journal of Democracy* 12, no. 2 (2001): 59-73; Marc Saint-Upéry, "Ecuador: El Coronel tiene quien le escuche." *Nueva Sociedad* 182 (2002): 4-11; Peeler, *Building Democracy*; Peeler, "Social Justice and the New Indigenous Politics."

10. René Antonio Mayorga, "Gobernabilidad en entredicho: Conflictos institucionales y sistema presidencialista," in René Antonio Mayorga, coord., *Democracia y gobernabilidad: América Latina* (Caracas: Nueva Sociedad, 1992): 41–62.

11. Donna Lee Van Cott, "From Exclusion to Inclusion: Bolivia's 2002 Elections." *Journal of Latin American Studies* 35 (2003): 751-771.

12. Carlos Toranzo Roca, "Bolivia: Nuevo escenario político," *Nueva Sociedad* 182 (2002): 12-20; United Nations Development Program, *Human Development Report 2002* (New York: Oxford University Press, 2002); Archondo, Rafael. 1999. "Bolivia: El auge del multipartidismo," *Nueva Sociedad* 164: 19-25; Peeler, *Building Democracy*; Peeler, "Social Justice and the New Indigenous Politics"; John Peeler, *Building Democracy in Latin America,* rev. ed. (Boulder: Lynne Rienner, 2004).

13. Samuel Huntington, *Political Order in Changing Societies* (New Haven: Yale University Press, 1968); Michel Crozier, Samuel Huntington, and Joji Watanuke, *The Crisis of Democracy* (New York: New York University Press, 1975).

14. Guillermo O'Donnell, *Modernization and Bureaucratic-Authoritarianism*, 2d ed. (Berkeley: Institute of International Studies, University of California, 1979).

15. While Sánchez de Lozada in Bolivia was not guilty of such blatant deception, his power base, with only twenty-two percent of the vote in the presidential election, was extremely narrow.

16. Steve Ellner and Daniel Hellinger, eds., *Venezuelan Politics in the Chávez Era: Class, Polarization, and Conflict* (Boulder: Lynne Rienner, 2003).

17. For a fuller development of the argument in this paragraph, see Peeler, *Building Democracy*, rev. ed.: Chapter 6.