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Delegative Democracy Revisited

PERU SINCE FUJIMORI

Alberto Vergara and Aaron Watanabe

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The first fifteen years of the twenty-first century were arguably the most democratic in Peru's history. After an interval of competitive authoritarianism during the 1990s under President Alberto Fujimori, Peru returned to democracy. Since 2001, elections have been clean, presidents have refrained from abusing their powers, and influential observers such as Freedom House have confirmed the country's democratic credentials. By Peruvian standards, this most recent democratic era has proven enduring: The year 2016 marks the first time that four presidents in a row have been democratically elected.¹

Yet poll after poll shows that Peru's citizens view their democracy with deep dissatisfaction. According to the 2013 Latinobarómetro survey, only 25 percent of Peruvian respondents said that they were satisfied with democracy's workings, while the average for the years between 2001 and 2013 was just 19 percent, the lowest in South America. Political parties, Congress, the judiciary, and other key democratic institutions all suffer distrust bordering on rejection. Peruvian presidents draw the least popular support of chief executives anywhere in Latin America, despite the country's better than average performance on a number of objective indicators. Following the turbulent final decades of the twentieth century, Peru's elected politicians have presided over rapid economic growth, falling poverty rates, and domestic peace. And they have done so while not undermining or otherwise attacking democratic institutions. Yet this era that should be a golden summer of Peruvian democracy is instead

a winter of discontent. What is making Peruvians so bitter toward their leaders and institutions?

Taking inspiration from Guillermo O'Donnell's notions of vertical and horizontal accountability, one can probe beneath the surface in order to ask whether Peru's democratic institutions are "really important decisional points in the flow of influence, power, and policy?"²² What such an inquiry reveals is that post-Fujimori Peru has, to use O'Donnell's terms, regained meaningful horizontal accountability while struggling to restore vertical accountability. In recent years, Congress, the judiciary, and other institutions have shown that they can check presidents—that is, enforce horizontal accountability—thereby preventing Peru's chief executives from accumulating power the way that many other Latin American leaders have.

Yet vertical accountability remains elusive. Peruvians have repeatedly elected presidents who pledged to reform the status quo, particularly the neoliberal economic model that has been in place since the 1990s. Once in office, however, these presidents have reneged on their promises, with few consequences. This pattern has held even though elections, which O'Donnell highlighted as the main mechanism of vertical accountability, have remained free, fair, and accepted by all as the sole legitimate route to power.

The trouble is that elections alone tend to produce only "thin" vertical accountability. In order to promote the "thick" accountability that O'Donnell saw in high-quality representative democracies, a country needs strong parties and a robust civil society. Yet Peru lacks these. Without them, citizens find it hard to make politicians answer for breaking promises. Officials soon realize that they are insulated from accountability, and act in ways that erode trust in democratic institutions. This twofold dynamic of increasing horizontal but thin vertical accountability has shaped the last fifteen years of Peruvian politics. It is the main reason why citizens feel dissatisfied with democracy and why specialists tend to see Peruvian democracy as having weak "foundations."²³

Peruvian Democracy in the 21st Century

After his election in 1990, Fujimori built a "competitive authoritarian" regime that limited vertical and horizontal accountability. He did so by consolidating power around the presidency, particularly through the *autogolpe* of April 1992 that closed Congress and the subsequent writing of a new constitution by a Fujimorista-dominated constituent assembly. This rewrite gave Peru a unicameral national legislature (currently containing 130 seats) that was easier for the president to control. By dominating the legislature, Fujimori was also able to sack the Constitutional Court's justices when they challenged him and replace them with his loyalists. His control of the state also allowed him to bias elections,

thereby reducing vertical accountability. Under his rule, agencies of the state harassed his critics, and the army was used for political purposes. His administration bought off most nonstate media outlets and attacked the rest. Political parties withered. At the time of the *autogolpe*, the traditional parties held more than four-fifths of all congressional seats. Just three years later, when the new legislature began meeting, they held almost none. The conversion of the entire country into a single at-large congressional district sharply cut representation from the provinces. Finally, the battle against the Maoist guerrillas of the Shining Path severely debilitated civil society. Unconstrained, Fujimori implemented aggressive neoliberal reforms. He put technocrats in charge of policy—a practice that would persist after he fled office in 2000.⁴

In post-Fujimori Peru, horizontal accountability has returned while its vertical counterpart remains weak. Fujimori's immediate successor, interim president Valentín Paniagua, focused on restoring fair elections, rule of law, respect for the constitution, and clean government. By the time he stepped down in 2001, Peru had moved from Partly Free to Free in the Freedom House rankings. There were clean national elections in April and June 2001. Yet Paniagua could do little to reverse the damage that political parties and civil society had suffered, and he left Fujimori's free-market policies in place.⁵ This helped Peru to avoid instability, but at a cost to democratic responsiveness: Unaccountable neoliberal technocrats remained at the controls of the economy. The choice for stability set Peru on the path that it still follows today.

Succeeding Paniagua was Alejandro Toledo (2001–2006), a Stanford-educated economist who rose on his record as a Fujimori foe, his vows to make the economy fairer, and support from voters in the poor interior. He presided over a fast-growing economy and a reinforcement of democratic institutions. Congress and the courts regained their independence: The former elevated an oppositionist to its speaker's chair and censured a cabinet minister, while the Constitutional Tribunal ruled against various branches of the government on several occasions.⁶ Fujimori and a number of his lieutenants had to answer legally for rights abuses and corruption. Toledo's administration also created a much friendlier climate for the media and civil society.

The Economic Boom

As the economy boomed (with close to 6 percent average annual growth in the early 2000s), the share of Peruvians living in poverty shrank from 55 to 45 percent. Credit for efficiently managing the economy primarily lies not with the president but rather with politically insulated technocrats. Particularly central was Economy Minister Pedro Pablo Kuczynski. Commonly known as PPK, this Oxford- and Princeton-educated economist and banker would become even more powerful

when Toledo named him prime minister in 2005. In a pattern often seen in Peru, the president lost touch with both a cabinet dominated by independent-minded technocrats and a populace with which he had few ties.

Surprisingly given the strong economy, Toledo's approval rating fell to single digits, and he limped to the end of his term. In 2006, his party ran no one for president and won just two seats in Congress. Here we see the typical problems of vertical accountability in Peru. First, the constitutional ban on presidents serving consecutive terms removes the main way O'Donnell identifies for society to impose vertical accountability on a chief executive. Second, voters cannot punish presidents indirectly by opposing their parties because in Peru, these are little more than shells called into being to support particular political personalities. With party-switching so easy and common, politicians have little reason to press a president to do what voters want—it is not as if a readily shed party label will help or hurt in the next balloting.

In 2006, the highest office went to former president Alan García of Peruvian Aprista Party (APRA), which constitutes perhaps Peru's only political party with a functional (if limited) organization. Voters that year were feeling hostile toward the status quo. In the first round, they rejected the candidates who advocated continuity, setting up a runoff between the ex-president and a former army colonel Ollanta Humala. Often likened to Venezuela's leftist strongman Hugo Chávez, Humala vowed that he would radically overhaul Peru's political and economic institutions. García also called for change, albeit of a "responsible" character, and questioned neoliberal policies such as generous contracts for extractive industries and the proposed free-trade agreement with the United States.⁷

García's second presidency followed the Toledo template. The Aprista-led bloc in Congress was better organized than any support Toledo had enjoyed, so García had more freedom of action. Yet the Constitutional Tribunal went its own way despite harsh criticism, and a reasonable balance of power among branches of government remained the rule.⁸ García guarded the status quo, keeping technocrats in key jobs and deepening neoliberalism's hold. Almost his first official action was to approve the U.S. free-trade agreement that he had criticized—it was the first of several that he would sign. When peasants and indigenous groups would later seek to stop mining projects in their communities, García would both make remarks delegitimizing their demands and send police to break up their protests. Crime and corruption would go unaddressed, and scant effort would be made to improve the delivery of public services or to raise health and education spending.⁹ At the same time, the economy would continue booming, Peru's new middle class would grow, and the poverty rate would decline all the way to 27 percent.

Yet like Toledo, García lost contact with the middle and popular sectors that had elected him. His approval rating sagged into the 20 percent range for much of his presidency. Despite formidable economic growth

and functioning horizontal accountability, voters overwhelmingly rejected APRA in the 2011 election. It fielded no presidential candidate, and its congressional delegation shrank from 36 to 4 seats.

Ollanta Humala's soon to be concluded presidency (2011–16) has followed much the same storyline. Instead of enacting bold reform—rejecting neoliberalism, embracing social inclusion, pushing for a new constitution—he became another weak president. Contrary to fears that Humala would undermine democracy, horizontal accountability has remained robust and there have been no Chávez-like lunges for more power. Congress has censured a prime minister, chosen an opposition speaker, and rejected economic bills that Humala favored. Open clashes, as Martín Tanaka suggests, have been rare owing to Humala's realization that battling the legislature is a costly effort.¹⁰

Yet vertical accountability has improved little. Arriving in office with no experience, no strong party in Congress (his governing group has shed rather than gained members), and no trusted advisors, Humala has followed his predecessors and become a hands-off president who relies heavily on technocrats. Campaign rhetoric notwithstanding, neoliberal policies have remained the rule. The leading figures of Humala's administration have been Economy Minister Luis Miguel Castilla and Central Bank president Julio Velarde.¹¹ With no organized party behind him and having dropped the themes that moved voters during his campaign, Humala has lost touch with society at large, and especially the rural highlanders who backed him heavily in two straight elections. Like Toledo and García, Humala has seen his popularity plummet despite good economic performance. His party, such as it is, withdrew its 2016 presidential candidate (who was going nowhere in the polls) and won no seats in the next Congress.

Thin Vertical Accountability

The three presidents whom Peruvians have elected since 2000 each called for change while running, only to embrace the status quo after winning. Humala's is the most flagrant case of such switching. The economy has benefited from this “preferential option for stability,” but ironically, the presidents themselves have not. Staying on “autopilot”—as Peruvians call it—has not endeared them to voters. Toledo put himself on the presidential ballot again in 2011, but won a mere 16 percent of the vote. In 2016, he ran once more but could not win even 2 percent. Humala, should he try to return in 2021, may well face the same humbling scenario.

According to O'Donnell, vertical accountability comes mainly from elections. The Peruvian case shows, however, that under certain conditions these may fail to produce satisfactory vertical accountability. Those conditions include the absence of stable parties and a robust civil society as well as the presence of a booming economy.

The absence of structured political parties has a number of consequences for how power is exercised in Peru. First, this absence makes it easier for political first-timers who have never held elected office to rise straight to the presidency. As the novelist Santiago Roncagliolo has observed, over the last three decades Peruvians have elected presidents who were either amateur politicians or Alan García.¹² In order to get on the ballot, a presidential candidate must be formally affiliated with a party, but parties have little meaning beyond that. They are personality-driven “brands,” sometimes wholly invented purely for campaign purposes like the Cambio 90 (Change 90) movement that Alberto Fujimori rode to power a quarter-century ago.

Peruvian parties are not well-developed, concrete organizations with stable commitments to given sets of policies or voters. Parties as developers of political talent and institutions through which leaders can learn to negotiate, pass bills, and persevere despite opposition are hardly to be found. Not only Fujimori, but Toledo and Humala after him, reached the presidency ill-equipped for the job. Presidents lacking the skills needed to govern in a democratic context are likely to either undermine democratic institutions (Fujimori) or prove ineffective (Toledo and Humala), with technocrats filling in for them.

Feeble parties also complicate presidents’ relations with Congress. With no real parties, presidential candidates assemble their legislative slates with favors and campaign financing. These ad hoc alliances breed little lasting loyalty. Once elected, congressional candidates feel few ties to presidents or their platforms, and often switch parties. Presidents cannot consistently rely on “their” legislators to pass bills or support nominees. And as for those nominees, the lack of organized parties often leaves presidents groping to find suitable candidates for ministerial positions.

Presidents fall back on technocrats who have the necessary experience to govern—and their own policy objectives. Over the last fifteen years, such experts have increasingly come to dominate cabinets. During the first two years of Humala’s term, technocrats held two-thirds of the cabinet posts. Now they hold seventeen of nineteen. Finally, the absence of organized parties disconnects presidents from voters. This disconnect was especially clear in the cases of Toledo and Humala. They received massive support from rural and highland voters but, once established in coastal Lima, lost touch with these constituents, their grievances, and their demands.

This situation might be a problem for democracy, but it is convenient for weak presidents who want to switch policies. Without parties, presidents face no threats from militants in their base or constituents. And since most Peruvian parties do not even bother to take part in subnational elections, presidents who shrug off their campaign pledges need fear no rebellion from disgruntled mayors or governors within their own party ranks.

A mobilized public might make up for the lack of parties, but Peru's civil society is too weak to check presidents "from below" in this way. As Evelyne Huber and John Stephens make clear, recent Latin American history shows that it takes a mobilized society to change neoliberal policies.¹³

Yet Peru's civil society is weak and fragmented. The vibrant peasant and rural organizations that existed in the twentieth century were harmed during the internal conflict against the Shining Path, and have yet to recover. In the cities, industrial unions have withered away: Less than 4 percent of the population belongs to one. Under such circumstances, large mobilizations of the sort seen in neighboring Bolivia and Chile, for example, have become rare in Peru. Presidents have little reason to fear them. Protests around extractive industries can gather attention, especially if they delay a multibillion-dollar project or produce casualties. Yet these mobilizations rarely expand to press other demands or reach beyond particular provinces and localities.¹⁴ No president of Peru need fear losing office in the face of such protests. Thus shielded from the threat of bottom-up mobilizations like the one that drove Bolivian president Gonzalo Sánchez de Lozada from office in 2003, Peruvian chief executives are more insulated from vertical accountability.

In addition to the absence of parties and weak civil society, a third element defining contemporary Peru has been its strong and sustained economic growth. Since 2001, the economy has never fallen into recession, even during the global crisis of 2008, and real GDP has grown at rates that sometimes exceeded 8 percent a year, although these have slowed to around 3 percent since the global commodities boom ended in 2014. Such a performance understandably makes politicians wary of major policy changes. The Peruvian business community has encouraged this fear, muttering of the economic disaster that would occur if the government chose to deviate from neoliberal orthodoxy.

Most significantly as far as politics are concerned, economic growth has legitimized the technocratic control of economic policy. Given Peru's run of inexperienced, party-less presidents, the technocrats can credibly claim that they are the only ones who can run the economy. Presidents thus face a choice between embracing the status quo (even at the cost of their personal popularity) or pursuing changes that would have no certain outcome but would be guaranteed to bring conflict with the business community, the media, and the Lima elite. Geography does not help. Whereas in Bolivia and Ecuador, presidents challenging neoliberalism governed in capitals surrounded by the voters who elected them, Humala's core supporters are far away in the highlands while his adversaries live just down the street.¹⁵

Such are the political and institutional dynamics of stability in Peru. In the last fifteen years, no president won office openly defending the

status quo, but all have embraced it by the time they stepped down, undeterred by low approval ratings. Certainly, continuing economic growth and entrenched technocrats are part of the explanation for this outcome. Yet the status quo persists not because of “a ‘formidable Weberian bureaucracy’ but [rather] the precarious and weak Peruvian political class coupled with a weak and fragmented civil society.”¹⁶ In short, Peruvian presidents elected on reformist platforms have an unappealing choice: Pursue risky change or embrace a status quo that is unpopular despite high growth. The weakness of channels for vertical accountability has tilted presidents toward the second option.

The Past’s Heavy Hand

What does all this say about the state of democracy in Peru? The news is mixed. The institutions of horizontal accountability have recovered since Fujimori undermined them in the 1990s. They have yet to be tested by crisis, it is true, but there is no question that over the last fifteen years they have acted as “really important decisional points in the flow of influence, power, and policy.”

Yet the recovery of vertical accountability has been less successful. Elections have become free and fair again. Yet when voters have strongly supported candidates promising to change the status quo, those winning candidates have not acted on their promises. The voters are sending signals that are not translating into policy change. Vertical accountability, it seems, requires more than elections. Parties and civil society play an important role in holding politicians accountable to voters. While Peru’s booming economy and entrenched neoliberal technocrats have made presidents hesitant to change policy despite voters’ wishes, presidents can embrace the status quo because they face minimal backlash for doing so.

What are the consequences of this enduring arrangement of thin vertical accountability? Perhaps most relevantly, it fuels Peruvians’ rejection of presidents and dissatisfaction with the democratic regime even when governance has been good. A steady hand at the economic-policy tiller has steered the country on a course of strong growth, which in turn has raised living standards, cut poverty, and allowed the state to expand its activities. It seems ironic, but sound economic management may be another result of the disconnect between politicians and society. Although candidates who denounce neoliberalism can win office, their general political weakness keeps them from mounting a serious challenge to the neoliberal technocrats who have set economic policy since the 1990s.

At the same time, weak vertical accountability combined with strong technocrats also blocks the introduction of major reforms in other areas. Crime, for instance, has steadily become a larger problem. Peru now

has one of the highest rates of victimization in Latin America and citizens name it as their first concern. Any administration that could tackle crime would gain tremendous popularity. Yet President Humala took little initiative in this area. He got away with barely bothering to impose any direction on his own government, going through seven interior ministers without any plan to improve public security ever being framed, much less implemented. Poor accountability to voters implies an ability to be indifferent to popularity, even to the point of neglecting serious problems. And while presidential weakness might serve an economic purpose, there are drawbacks too.

The breakdown of liberal checks and balances can endanger democracy, but unresponsive political systems pose serious dangers too.

In his original *Journal of Democracy* article on delegative democracy, Guillermo O'Donnell seemed concerned mainly by failures of horizontal accountability. The Peruvian case shows that democracy's problems need not be found only in that dimension. The breakdown of liberal checks and balances can endanger democracy, but unresponsive political systems pose serious dangers too. Peru's experience also reminds us of one of the first arguments that O'Donnell makes in his essay: Long-term historical factors have great impact on the development of democracies. The Peruvian political system has always struggled to provide meaningful representation and has long suffered from fragmented parties and civil society. The current arrangement, with its sacrifice of representation on the altar of efficiency, might be just the most recent episode in a protracted historical trend that political actors find hard to change. "The past," as William Faulkner wrote in his 1951 novel *Requiem for a Nun*, "is never dead. It's not even past."

NOTES

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1. At the time of this writing in May 2016, the country awaits the result of a June 5 presidential runoff between Keiko Fujimori, the 41-year-old daughter of former authoritarian president Alberto Fujimori, and the 77-year-old former economy minister and prime minister Pedro Pablo Kuczynski. In the April 10 first round, Keiko Fujimori received 38 percent of the vote to Kuczynski's 21 percent. The failure of any candidate to receive 50 percent or more in the initial race necessitates the runoff. The current president, Ollanta Humala, who defeated Fujimori in a 2011 runoff by 51.5 to 48.5 percent, is barred by the constitution from succeeding himself.

2. Guillermo O'Donnell, "Delegative Democracy," *Journal of Democracy* 5 (January 1994): 57.

3. Steven Levitsky, "Peru: The Challenge of Democracy Without Parties," in Jorge I. Domínguez and Michael Shifter, eds., *Constructing Democratic Governance in Latin America*, 4th ed. (Baltimore: Johns Hopkins University Press, 2013), 282.

4. Eduardo Dargent, *Technocracy and Democracy in Latin America: The Experts Running Government* (New York: Cambridge University Press, 2015).

5. Alberto Adrianzén, *La transición inconclusa* (Lima: Otra Mirada, 2009), 168–71.

6. Eduardo Dargent, "Determinants of Judicial Independence: Lessons from Three 'Cases' of Constitutional Courts in Peru (1982–2007)," *Journal of Latin American Studies* 41 (May 2009): 251–78.

7. Cynthia McClintock, "A 'Left Turn' in Latin America? An Unlikely Comeback in Peru," *Journal of Democracy* 17 (October 2006): 95–109.

8. Jorge Valladares, "El Congreso está abierto," *Argumentos: Revista de análisis y crítica* 1 (March 2012): 1–8.

9. Maxwell A. Cameron, "Peru: The Left Turn That Wasn't," in Steven Levitsky and Kenneth M. Roberts, eds., *The Resurgence of the Latin American Left* (Baltimore: Johns Hopkins University Press, 2011), 379–98.

10. Martín Tanaka, private communication to authors.

11. Humala's third cabinet had nineteen ministers, only one of whom was a member of the president's party. Alberto Vergara and Daniel Encinas, "Continuity by Surprise: Explaining Institutional Stability in Contemporary Peru," *Latin American Research Review* 51, no. 1 (2016): 159–80.

12. Juan Carlos Pérez Salazar, "Santiago Roncagliolo y unas presidenciales 'endiabladas' en Perú," BBC Mundo, 22 March 2016, www.bbc.com/mundo/noticias/2016/03/160321_peru_elecciones_presidenciales_santiago_roncagliolo_jcps.

13. Evelyne Huber and John D. Stephens, *Democracy and the Left: Social Policy and Inequality in Latin America* (Chicago: University of Chicago Press, 2012).

14. Carlos Meléndez, *La soledad de la política: Transformaciones estructurales, intermediación política, y conflictos sociales en el Perú, 2000–2012* (Lima: Mitin, 2012).

15. Alberto Vergara, *La danza hostil: Poderes subnacionales y estado central en Bolivia y Perú, 1952–2012* (Lima: Instituto de Estudios Peruanos, 2015).

16. Vergara and Encinas, "Continuity by Surprise," 176.