



Graduate School of Development Studies

WHEN DEMOCRACY IS NOT WHAT ‘THE MASSES’ WANT
An analysis of the public legitimacy levels of the Fujimori and
Toledo regimes

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DEDICATION

To 'the masses' of Latin America. May they find a leader who is truly supportive of 'the excluded'.

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LIST OF ACRONYMS

APRA – American Popular Alliance for democracy. The first traditional political party of Peru

IU – The Left United Political Party.

MRTA – Tupac Amaru Revolutionary Movement

PC – Christian Party

PP – Peru Possible, Toledo’s Party

SL – The Shining Path

SOEs – State-Owned Enterprises

WC – Washington Consensus

ABSTRACT

This research attempted to explain a paradox – why a semi-authoritarian regime achieved a higher public legitimacy level than a democratic one. It used the Fujimori and Toledo regimes as case studies

The methodology involved applying (neo)populism, democracy, democratization, and ‘hybrid’ regimes theory to understand the mechanisms that allowed Fujimori to legitimize his regime, and that (supposedly) prevented Toledo from doing so.

The analysis found that a combination of factors were favorable for Fujimori and working against Toledo. While Toledo’s luxurious lifestyle alienated him from the masses, he was unable to concentrate the amount of power that Fujimori did. Hence, the Fujimori regime could approve ‘popular’ reforms that increased public support, which could then be used to gain more power. This ‘vicious cycle of legitimization’ that kept the Fujimori regime in power was unavailable to Toledo, who never enjoyed the sufficient popularity to get it started.

Aside from the presence of populist elements and the use of ‘hybrid’ regimes, there were other factors affecting the public legitimacy levels of the regimes. These are: the role of crises, public weariness with neoliberalism, the international community, the Fujimori legacy, and Peruvian civic culture. While Fujimori enjoyed a favorable context for a populist, the opposite was true for Toledo. Arguably, then, his neopopulist tactic was destined to fail.

The study concludes by outlines its contribution and areas for further research.

Chapter 1

INTRODUCTION

1.1. The Research Problem:

Democracy is today's hegemonic and legitimate type of regime, and hence democracy promotion is an area where much effort is being invested. Developed countries are investing significant amounts of money in the strengthening of democratic institutions in the developing world, while countries belonging to the latter group are eager to be qualified as democratic due to the legitimizing effect that this label has.

However, this does not necessarily mean that aid providers are financing the establishment of benevolent regimes that will work 'for the people'. Not all democratic regimes share the same characteristics, and a handful of the ones in Latin America engage in practices that could be qualified as non-democratic, or even authoritarian. This paper looks at two regimes in Peru that were, at one point or another, qualified as a democracy - those of Alberto Fujimori and Alejandro Toledo. Both presidents used neopopulist tools to legitimize their administrations, but they nevertheless achieved very different results. While Fujimori's rule was characterized by authoritarian practices, he successfully legitimized his actions and portrayed himself as a defender of democracy. Thus, Fujimori was and still is somewhat popular in Peru¹. Toledo's regime, on the other hand, obeyed the principles of a polyarchy, but was not successful at legitimizing his regime on a domestic front.

1.2. Research Objectives and Questions:

The aim of this study is to answer the following question: what are the reasons behind the divergent public legitimacy levels of the regimes of Alberto Fujimori's and Alejandro Toledo? In other words, this work will explore whether the high levels of public support enjoyed by the Fujimori government and the unpopularity of Toledo's was due to a difference in their personal charisma and success as neopopulists, to divergent economic policies that (failed to) delivered results, or to a historical preference of Peruvians for authoritarian leaders.

In order to achieve the above goal, this study will use democracy, democratization, and neopopulist theory. It seeks to understand why the neopopulist model that has and is being followed in Peru is politically unsustainable and damaging to democracy.

1.3. Background:

The late 1980's were some of the worst years in Peru's history. By 1990, inflation had reached four-digit figures, and the Shining Path terrorist movement was taking over increasing amounts

¹ For example, an interview carried out in the Lima region revealed that 31.2% of residents would vote for Fujimori if he ran for the 2011 presidential elections (Peru election 2006. Available at: <http://weblogs.elearning.ubc.ca/peru/archives/042778.php>, accessed August 29th 2008).

of territory. Alan Garcia, then-president of Peru and leader of the strongest traditional political parties, the APRA, had proved unable to solve the country's devastating problems, creating a disappointment in the capabilities of the Peruvian political elite to rule the country.

It was under these circumstances that Peruvians elected Alberto Fujimori, a charismatic political outsider whose presidential campaign revolved around the promise to stop both the terrorist movement and the hyperinflation. It did not take long for Fujimori to prove that he had the ability to fulfill his promises - by the end of his first year in government he had managed to stop the hyperinflation and by 1992 his government captured Shining Path leader, Abimael Guzman.

Nevertheless, time proved that Fujimori's government was not the blessing it was initially thought to be. The 1992 *Fujigolpe*, in which the Congress and the Judiciary were dismissed, was the first among many severe offenses to democratic institutions. Further, the Fujimori administration has been accused of corruption and human rights violations. But Fujimori's charisma and the government's achievements gave him strong popularity, which restored the hope of many Peruvians who regarded the country as ungovernable. Thus, once the severity of Fujimori's illegitimate acts was discovered, the country was left with weak institutions and in a demoralized state.

After Fujimori went to exile in Japan, the president of Congress, Valentin Paniagua, temporarily took over the presidency until elections were held in 2001. The main candidates in this election included former president Garcia, Lourdes Flores and Alejandro Toledo, former shoe-shine boy and Stanford graduate. Toledo won the elections by a narrow margin to Garcia; and the 53.1% approval rate² that won him the presidency would be the highest his popularity would ever reach. While he pursued privatization, which Peruvians had grown to dislike thanks to the strong neoliberalism embraced during the Fujimori years, the Peruvian economy grew steadily throughout his government. Indeed, Peru under Toledo had one of the strongest economies of the Latin American region³. Furthermore, he reversed the centralization inherited from the Fujimori government by approving decentralization laws and he increased the social policy budget to create some sound social programs (Barr 2003: 1165). And the latter resulted in policies that providing a safety net along with the implementation of neoliberal reforms, thus following the Post Washington Consensus.

But these efforts were not good enough to counter the scandalous private life of Toledo. It was very common for newspaper headlines to refer to the president, but not precisely because they were discussing a new government policy. Throughout his regime, Toledo faced a 'soap-operatization' of politics. Peruvians were way more interested on the president's vacations to beach resorts, his plans for a new presidential helicopter, or the results of his paternity suit by Zarai Toledo than on the policies of the government. These scandals, combined with the perception that the former president was not working hard enough nor delivering the results he promised, resulted in Toledo leaving the palace with a low popularity level. Needless to say, he did not run for reelection.

² Source: Schmidt 2003, pp. 348

³ See annex 2 on Peru's economic performance throughout Toledo's government.

Why was it that Toledo, a capable and experienced economist, faced so many obstacles in legitimizing his government? Was it that Toledo's reforms did not deliver the expected results, or simply that Peruvians just disliked Toledo? Is Leftwich (2002) right when arguing that democracies are a conservative system of power, and that the urgent transformative initiatives required for development makes non-consensual steps inevitable? Maybe Peruvians got used to the iron fist of Fujimori, whose undemocratic practices certainly allowed for non-consensual steps to take place. But what Peruvians have failed to notice is that, in spite of the human rights violations his government engaged in, Fujimori's semi-authoritarian government has also failed to deliver the economic development and poverty reduction that most Peruvians are still waiting for. And, ironically, national poverty rates dropped throughout Toledo's government.

This study will argue that Fujimori successfully legitimized his regime because he came to power in a time when the circumstances were quite favorable for any neopopulist leader. Peru had an economic and a social crisis that needed to be solved, thus giving him the opportunity to establish himself as the 'saviour' of the masses. In addition, Fujimori used his 'saviour' status to manipulate the country's democratic institutions and grant the executive more power, which allowed him to engage in clientelistic practices that benefited his popularity. Further, the Washington Consensus was the international community's recipe for development at the time, and since Fujimori's economic policies were in line with the WC, his disrespect for democratic institutions was well tolerated. It was thus a combination of these factors that resulted in the high public legitimacy of the Fujimori regime, and not just that he was 'a good populist'.

Toledo, on the other hand, came to power in disastrous time for any neopopulist. He had no crisis to 'save' the country from, had to give away political power as a result of public demand for a return to democracy, and faced an international community that both praised the government's neoliberal policies and invested in strengthening Peruvian civil society to act as a watch dog for the government. Consequently, Toledo's cabinet was left with very little 'room to maneuver', and was thus seen as unproductive, which led to its unpopularity.

1.4. Relevance and Justification:

Democracy, which literally means 'rule by the people', has been around for a long time. And this is not strange— the idea of a regime in which the masses can be the rulers in a society is quite revolutionary and appealing.

Unfortunately, most definitions of democracy, be it liberal, delegative, or even social democracy, have left behind the literal meaning of the very word they are defining. Most views on democracy are quite minimalist, and hence too narrow to include all the conditions that must be met if a country is really to be ruled by, for, and with the people. Thus, many 'democracies' have turned out to be quite unrepresentative regimes.

The lack of meaningful representation of the weakest sectors of society in formal institutions has been conducive to populist leaders who use informal institutions such as clientelism to make the masses feel like they being represented. For many scholars⁴, Latin American regimes is particularly prone to populism because of two main features - high levels of socio-economic

⁴ Examples include Weyland and O'Donnell.

inequality and its weak democratic institutions. Consequently, neopopulist theory can help to comprehend the ‘hybrid’ regimes that tend to emerge when a populist is elected into office.

The regimes analyzed in this paper are interesting for this purpose because, while they can be characterized as populists, one exhibited clear authoritarian traits while the other met the requirements of a polyarchy. While the literature has done considerable comparative analysis of populism, these works have tended to leave behind an analysis of the democratic character that populist regime might have. Likewise, some of the literature that qualifies regimes according to the extent to which they are democratic fail to incorporate a populist dimension into their analysis. Hence, this analysis will take the viewpoint that certain (un)democratic characteristics and populist practices may co-exist in particular regimes, since weak democratic institutions can pave the way for populist, who in an attempt to concentrate power in their hands may create a ‘hybrid’ regime.

Furthermore, this study is also looking at how neopopulist practices and the type of regime can affect the popularity of a government, taking as case studies Fujimori’s and Toledo’s regimes. This is an important research area in the Latin American context because, given the instability of democratic institutions in the region, a high public disapproval can result in coups d’etat⁵, which further destabilize democracy.

Additionally, Toledo’s regime has been largely neglected by existing literature. In particular, this regime’s popularity is an area that has not been well researched because of the assumption that the unpopularity of Toledo’s regime was due to his uncharismatic personality. This study will argue that this is only *one* of the reasons why Toledo’s government was unpopular. Other reasons include the type of regime that was established under his Presidency.

Finally, this study can contribute to the existing literature comparing the Fujimori and Toledo regimes, which is very limited⁶.

1.5. Methodology:

This study is a qualitative research with the primary aim to determine why a regime that exhibited authoritarian traits seems to be more popular than a democratic one. It will analyze the tools used by Fujimori and Toledo to legitimize their regimes, both on a domestic and international front. Since both former presidents exhibited neopopulist traits, the focus will be on the use of neopopulism. This will also involve identifying the opportunities for success that were available to each of the leaders.

The different definitions of democracy available in the literature will also be used in this analysis because both Fujimori and Toledo used that label to legitimize their regimes within Peru and abroad. In addition, the history of the establishment of democratic institutions in the country will be used to understand why these institutions are easily co-opted by populist leaders, who then use it for their own purposes.

⁵ See, for example, the work of Carrion and Seligson (2002) supporting this viewpoint.

⁶ For example, from all the literature read for this paper, only Barr’s (2003) article compared the Fujimori and Toledo regimes.

Overall, this paper will discuss the role of the appeal of each leader, crisis situations, weak party system, the current global order, and the media in strengthening or weakening the legitimacy of the regimes. Also, the paper will look at the additional challenges the Toledo government faced due to state that the country was left in after the corruption of the Fujimori government came out to the air. It will hence look at the ‘excessive’ expectations placed on Toledo’s mandate, as well as the mistakes made by Toledo himself.

The data has been obtained from journals, books, online newspapers, and survey organizations of the country.

1.6 Limitations

While information on economic policies and their impacts society is available to the public, it is much harder to obtain information on the politics behind the processes of policy-making. This paper intends to look at the mechanisms employed by Fujimori and his allies to keep a huge corruption web hidden. Given that his regime fell almost 8 years ago, there has been considerable research done on his government. Reports from truth commissions and private entities will be used as sources of information for this research. But since much of the data was obtained by the members of the current political elite, the information might have been exaggerated or manipulated. Furthermore, it is very likely that the public does not have access to all of the ‘negotiations’ that took place during the Fujimori regime. Additionally, while this research argues that Fujimori developed tools to manipulate democracy and legitimize his government, it is important to keep in mind that these same tools were also available to Toledo. Even as it is certain that he did not resort to pacts with the military, for example, his government was by no means the example of a perfect liberal democracy. Finally, since not much academic research has been done on the Toledo regime, the data on his regime was obtained from newspaper articles and the author’s personal memories of television programs of the time.

1.7. Chapter Outline

Chapter 2 will outline the theories on populism, democracy, and democratization that will be used to analyze the Fujimori and Toledo regimes. Chapter 3 will provide a historical background on the link between populism and democracy in Peru. Chapter 4 will begin analyzing the two regimes according to neopopulist and democratic concepts. Chapter 5 will go more in depth into why was a semi-authoritarian regime more popular than a democratic one, using information from chapter 4 and the concepts outlined in chapter 2. Finally, chapter 6 will provide the conclusion of this study and will point out areas for further research on the subject.

Chapter 2

THEORETICAL FRAMEWORK

This chapter defines some key concepts to be used throughout the paper. Its first section defines the concept of populism, the tools used by populist leaders, and neo-populism. It also explains how a ‘soap-operatization’ of politics can be detrimental to the democratic quality of a regime. The second section outlines some of the definitions of democracy available on the literature, explains how they are relevant to the regimes in question, and outlines how a country’s democratization path can setting up a scenario ideal for neopopulists. It will also mention why these concepts are relevant to a study on public legitimacy levels.

2.1 Neopopulism– a Marriage of Convenience between Populism and Neoliberalism

The relatively new concept of neopopulism needs to be defined because both leaders of the regimes being studied in this research – Fujimori and Toledo – have been described as ‘neopopulists’⁷. Further, politicians can use populism to increase their public support levels, which makes this concept very relevant to this study.

Firstly, populism will be defined, then the compatibility of populist practices with neoliberal policies and the outcome of neopopulism will be explained, and finally, the ‘soap-operatization’ of politics that tends to go hand-in-hand with the rise of populist leaders will be described. This theory will then be used to explain why the use of neopopulist tactics resulted in success for Fujimori and in unpopularity for Toledo.

The Discourse of Populism:

There are numerous definitions of populism found in the literature⁸. A particularly useful one is that provided by Laclau. For him, populism is a discourse – a mode of representing and influencing the social and political. By discourse, Laclau refers to more than just ‘words, speech or ideas, but also practices directly connected to the discursive logic that formulates them’ (Lyrintzis, cited in Stavrakakis 2004: 256). Thus, Laclau defines populism as a discourse in which popular-democratic elements are presented as antagonists of the dominant ideology. Hence, regardless of the different forms that populism may take, its main characteristics are its focus on ‘the people’ and its antagonistic representation (Laclau, cited in Stavrakakis 2004: 254). In other words, populist discourse calls on ‘the masses’ to ally against ‘the common enemy’⁹. And this is an approach that is likely to increase the support on the populist among those who consider themselves as part of ‘the masses’.

Another useful framework for studying populism has been provided by Fieschi (2004). She argues that there are three core themes of populism⁹: the nature of populism, populism’s

⁷ See, for example, the work of Weyland (2003) or of Barr (2003).

⁸ For a list of some of these definitions, see Canovan, cited in Laclau (2005: 5).

⁹ For an excellent discussion on these three themes of populism, see the special issue of the Journal of Political Ideologies (October 2004) 9 (3) on Populism.

relationship to democracy, and populism's relationship to the concept of 'the people'. The undefined nature of populism explains why it can adapt to different context, and hence it should be seen as a 'political parasite', 'living in a symbiotic...relationship with more mainstream ideologies' (Fieschi 2004: 236). This malleability of populism explains how a leader can appeal to the poor while at the same time pursuing neoliberalism. It also accounts for the rise to power of two neopopulists under very different circumstances in Peru.

Populism has a relationship with democracy because the demos – the people – are at the heart of democracy, while claims of bringing politics back to the people, and away from the corrupt elites, are at the heart of populism (Fieschi 2004: 239). Hence, populism's relationship with 'the people' arises because the exclusion of some citizens from formal politics allows populist leaders to appeal to this excluded people, who then unify around their common demands and create a movement against the excluders – a populist movement. Hence, 'the people' are the hegemonic discursive points of populism (Laclau, cited in Stavrakakis 2004: 256). And populism emerges 'when the institutional/administrative system...fails to absorb [their] demands' (Stavrakakis 2004: 262). This happened in the case of Peruvian.

But if 'the people' are so central to populism, and 'the demos' is at the heart of democracy, then the presence of populism in politics can be seen as inevitable. Indeed, Laclau argued that populism is synonymous with politics (Laclau, cited in Stavrakakis 2004: 263). Arguably, then, all presidents are populists, but to different extents¹⁰. As will be shown, Toledo can be described as a populist, but definitely not to the same extent as Fujimori. Also, the better a politician uses populist discourse, the higher the support from the 'masses' he or she is likely to obtain.

Neopopulism:

Neopopulism refers to a populist government that pursues neoliberal policies. When defining neopopulism, Weyland (1999) argued that an economic definition is unsustainable, since governments would have to expand social programs while at the same time keeping the budget equilibrium praised by neoliberals. Hence, he uses a political definition of populism. But if there is no economic definition of neopopulism, then it is impossible to differentiate between neo and traditional populism. Neopopulism could very well be unsustainable, as the unpopularity of Toledo's show, but this does not mean that it does not have a neoliberal dimension that is part of this concept and hence should be included in the definition.

Nevertheless, Weyland's (1999) article is useful because it recognizes that populists and neoliberals have certain characteristics and goals in common, which makes the neopopulist partnership likely. Firstly, they both see *individuals* – and not groups – as the component of the economy and politics. Consequently, their source of mass support comes from unorganized sectors, such as the urban and rural poor of Latin America, whose alienation from the government makes them easy targets for populists. 'The masses' support populist leaders because they see them as their main access point to the government, and hence populists can bypass organizations like parties or the military and use broad mass support as their *ultima ratio* (Weyland, cited in Barr 2003: 1163). But, as the evidence from the Fujimori regime will show,

¹⁰ Put another way, which politician does not try appeal to 'the masses' and their fight against 'the common enemy'?

neopopulists can also have pacts with certain strong organization, such as business groups and the military.

Another common point is that both populist and neoliberals have an aversion to organized civil society. Populists fear that they limit the executive's power, and neoliberals believe strong groups can distort the market. They particularly dislike political parties and the political elite—they prevent populists from rising to power due to their outsider status, and annoy neoliberals because of the lack consistency in their policies and their corruption (Weyland 1999: 387). Thus, both populists and neoliberals have an anti-status-quo orientation, which may led them to engage in repression, as the Fujimori regime did.

Further, both populists and neoliberals want to concentrate power on the executive, since the enforcement of painful neoliberal policies requires the core of the state to be fortified. Neoliberals support populist since their political outsider status makes them more likely to dismantle the ongoing economic model. And populist are fond of a top-down policymaking process because it strengthens their personal leadership. They thus engage in practices that weaken rival institutions such as the congress (Weyland 1999: 391). Furthermore, by concentrating power in their hands, neopopulist have control over state resources, which then can be used for clientelistic purposes, thus increasing their popularity among the masses (Barr 2003: 1173).

Finally, both are more likely to emerge during a crisis, since severe problems facilitate the rise of populist leaders by discrediting traditional politicians and allowing populists to make their charisma public. Likewise, neoliberals can use crises as an opportunity to put forward their policies (Weyland 1999: 394). If a crisis is successfully solved by a populist leader following neoliberal policies, both populists and neoliberals can gain increased public support. Without deep crises and the impact they have on the population, it would be much harder for populists to win public support, as the experience of the Toledo regime shows.

Weyland (1999) argues that this 'marriage of convenience' arises only under certain circumstances, including party weakness, a directly elected presidency, and a deep crisis (Weyland 1999: 383). But like any alliance, it can break down. Given the high social price of neoliberal reforms, populists may revert to state paternalism as a way to appeal to the losers from adjustment, who may constitute the majority of the population once citizens get tired of waiting for the 'promised fruits' of neoliberalism. Thus, neopopulists are not necessarily neoliberals 'at heart', but choose to pursue neoliberal policies when the conditions are right, and change their policies as circumstances change as well. Further, as the case of the Toledo regime shows, leaders that can be characterized as neopopulists may emerge under unpropitious circumstances and do not necessarily criticize political parties, concentrate power on the executive, or emerge during crises; although if they can be successful is questionable.

The soap-operatisation of politics:

As Fieschi and Heywood (2004) have argued, an increased public attention to political scandals and the way the media presents them have resulted in an increased alienation of voters from

traditional politics and a diminishing trust in political institutions. This can result in the emergence of a traditional populist leader who is truly opposed to the system, or in a growth of cynicism that can give rise to an alternative ‘entrepreneurial populism’ (Fieschi and Heywood 2004: 291). ‘Entrepreneurial’ populists are not genuinely against the system, but know how to play by its rules and would rather use it to their advantage (Fieschi and Heywood 2004: 291). They thus seek to exploit the system’s weaknesses to gain increased power and public support. Fujimori and his Change 90 had these characteristics.

The media can play a strong role in the emergence of populists. Television stations are particularly strong at influencing public opinion of politicians since they are generally regarded as a trustworthy source of political information. And stations representatives can also be bribed or harassed to provide (un)favorable information on a particular politician that is not necessarily true. And they are used by populists to bypass political institutions and personally communicate with millions of voters at once. (Boas 2004: 30).

Since populists tend to be political outsiders, have argued, television gives voters cues on what might be their policy choices elected, and hence play a significant role in the election of populists (Lawson and McCann 2005, in Boas 2004: 31). Furthermore, the poor are often semiliterate and lack strong political organizations, and thus television is one of their few sources of information on politics (Boas 2004: 32). Hence, it can be very beneficial for a populist to have the media ‘on their side’.

But the media can also damage the legitimacy of a populist regime, since it can portray the public life of politicians as ‘a kind of soap opera in which [political] issues are less important than the private foibles, wobbles and passions of the actors in the drama’ (Hutton, cited in Fieschi and Heywood 2004: 295). The resulting scandals are damaging for democracy, since exposure of corruption or other scandals undermines the legitimacy of politicians and hence of democratic institutions (Fieschi and Heywood 2004: 295). Thus, the public loses interest in democracy as a desired good per se.

Consequently, political scandals can be used by the media to de-legitimize a democratic regime, since the media can contribute to turning a corruption incident into a scandal (Fieschi and Heywood 2004: 296). The same is true for a ‘personal’ scandal, one about the private life of a politician. The media played a key role in (de)legitimizing the Fujimori and Toledo regimes, as will be discussed later.

2.2 Democracy – rule by the people?

Democracy, literally meaning ‘rule by the people’, can take many forms, and hence scholars have been unable to unanimously agree on a universal definition of democracy. Beyond the fact that all democracies should have some form of elections, democratic regimes throughout the world have taken quite different forms. The aim of this section, then, is to provide an introduction to definitions of democracy that are useful for analyzing two different neopopulist regimes in the contemporary history of Peru and identifying the means for public support in these regimes.

One of the most widely used definitions of democracy is Dahl's 'polyarchy', since it provides the minimal conditions for a regime to be recognized as a democracy. Dahl defines a polyarchy as a regime that has seven attributes: 1) elected officials 2) free and fair elections, 3) inclusive suffrage, 4) the right to run for office, 5) freedom of expression, 6) alternative information, and 7) associational autonomy (Dahl 1989: 221). Thus, a polyarchy contains some elements that are generally valuable to the public, but leaves out many other variables that are equally or more important to 'the people'.

O'Donnell (1996) adds some attributes to Dahl's polyarchy. The first one is that elected or appointed government officials should not be fired before the end of their terms, as mandated by the constitution. The second is that 'elected authorities should not be subject to severe constraints, vetoes, or exclusion from certain policy domains by other, nonelected actors, especially the armed forces' (O'Donnell 1996: 35). These are important principles because a regime's adherence to the rule of law is viewed as generating public support (Mishler and Rose 2001: 310). Hence, a government ruled only by elected representatives is likely to be legitimate. In this comparative analysis, this is important because the military was an extremely powerful player in Fujimori's regime.

Schmitter and Karl (1993) build upon the definition given by Dahl and O'Donnell by arguing that democracy must have citizens who hold their rulers accountable through elections. They state that democracy functions 'by the contingent consent of politicians acting under conditions of bounded uncertainty' (Schmitter and Karl 1993: 82). Thus, this operative principle of democracy highlights the importance of competition for public office and of the compromising inherent in democracy. This is an important principle of democracy that is endangered when a neopopulist leader emerges, since they like to concentrate power on the executive and avoid negotiations with other branches of government.

Nevertheless, Schmitter and Karl's operative principles of democracy still give citizens a secondary role, since they are limited to expressing their preferences through fair and regular elections or negotiations. And since the exclusion of a sector of the population from traditional politics leaves room for a populist leader to emerge, it is vital for a healthy democracy to incorporate citizens in the policy-making process. This thus raises the questions of how can the people – who are supposed to be the rulers in a democracy – have power over their government?

Grugel's (1999) definition of democracy is useful in achieving the above goal. She argues that for a democracy to be sustainable, it must have an active civil society. She thus defines democracy as a regime where social citizenship – in addition to formally democratic institutions – is created (Grugel 1999: 159). Social citizenship has two components: the social, civil and political rights that citizens of democratic regimes are entitled to, and the exercise of citizenship via social activism, which depends on the history, culture, and social structures of a country (Grugel 1999: 10). Since assuring citizens' civil and political rights and liberties is likely to have an increase the public support, social citizenship can also legitimize a regime (Mishler and rose 2001:310). And given the Fujimori and Toledo regimes treated civil society in very different ways, Grugel's definition of democracy as the creation and practice of social citizenship will be used for the comparative analysis of the regimes.

Grugel's definition of democracy also incorporates civil society as a watchdog for the government, since an active civil society makes it much more difficult for a government to engage in illegitimate acts. If there no civil society that can hold the government accountable, it is quite likely that, as Leftwich (2002) argues, democracy will not be the rule by the people, but rather the rule by the elite; thus becoming a conservative system of power. Indeed, Peru's weak civil society allowed a 'democracy for the elite' to subsist before and during the Fujimori government.

2.3 Establishing a Democracy: Transition, Hybrid Regimes, and the role of non-state actors.

Many Latin American countries started the democratization process in the 1980s. Thus, the democratic institutions of these countries are young and weak, and are hence prone to manipulation by politicians. Fujimori manipulated the Congress and the judiciary in order to carry out reforms that would boost the popularity of his regime, while Toledo, facing strong public pressure, sought to undo the damage done by his processor by strengthening democratic institutions. This had consequences for the public legitimacy of both regimes. Therefore, in order to understand why a semi-authoritarian regime was more popular than a democratic one, we must first define how the transition process can lead to the construction of democratic institutions that can be manipulated by populist presidents.

What is democratic transition?

While some scholars may regard the answer to the above question a straightforward, linear one¹¹, the path of democratization in real life is more complex than this description. There are different explanations for the implementation of changes that may lead to the democratization of a non-democratic regime; and there is no universal 'recipe' for a country to reach the final goal of democracy.

Liberalization can take place either along with the beginnings of democratization, or before democratization even starts. But once democratization starts, the structures required for competitive elections must be established. (Burnell 2005: 189). Democratization is hence a *process* that "involves putting [the principles of democracy] in practice through specific and detailed rules and procedures" (O'Donnell and Schmitter 1986: 10). Hence, the changes undergone during democratization depend on the view of democracy that is seen as the final goal, which partly explain why it's a different path for each country.

Furthermore, a country's embark on the path of democratization does not mean that it will become a democracy - the path towards democracy may halt or may become impossible to follow, with the country in question falling back to authoritarianism. Indeed, some Latin American countries reverted to some form of authoritarian hybrid regime in the 1980s/early 1990s since it was difficult to consolidate either a democracy or an authoritarian regime in the post-cold war period (Levitsky and Way 2002: 61). This was the case of Peru under Fujimori.

¹¹ The linear definition of democratization begins with liberalization of the regime, after which the transition to democracy starts, and it culminates with its consolidation. For some of these views, see Mazo (2005).

Nevertheless, a country that attempt to democratize by, for example, introducing elections, is seen as having acquired a ‘positive trait’ and is seen as more legitimate¹², at least by the internal community.

But how does the democratization process start? There are numerous theories on the ‘causes’ of democracy, some outline pre-requisites that need to be present for the transition to start, while others argue that some requirements must be fulfilled if the transition is to keep on going. One of the structural explanations of democracy is based on the political culture¹³ of a country. Certain ‘civic culture’ values such as tolerance and compromise are conducive to democracy, while others are non-democratic in nature, such as the hierarchy and intolerance that are characteristic of Catholic societies (Mazo 2005: 2).

Nevertheless, as Carrion and Seligson (2002) argue, it is unlikely that strong democratic values by themselves save a democracy in crisis in Latin American, where the legitimacy of institutions is still not consolidated. Furthermore, democracies began emerging under ‘hindering’ conditions, and the Catholic Church began opposing authoritarian rule in Latin America, which removed political culture as an important factor on the democratization of Latin America¹⁴. Finally, structuralist theories have been unable to solve the chicken-and-egg dilemma of democracy and development, as it is not yet clear which one should come first (Mazo 2005:3).

Institutionalists focus more on democratic institutions and less on democratic attitudes. Concerned with ‘the growing gap between electoral and liberal democracy’ (Diamond 1999: 10), institutionalists believe that the state must have certain characteristics before society can democratize (Mazo 2005: 4). Further, they believe in the presence of some institutions is a pre-requisite for democratization. For example, Rose and Chin (2001) thought third wave democracies started ‘democratization backwards’ because they introduced free elections before basic institutions of modern states - the rule of law, civil society, and the accountability of governors - were in place, which is why they are ‘incomplete democracies’. But while their theories help to understand the weakness of the institutions in some countries, it does not explain how democratic institutions were born in the first place.

A somewhat different school, new institutionalism, focuses on how formal and informal institutions shape the behavior of individuals. The sub-branch of rational choice institutionalism, which assumes that individuals are utility-maximizers, focuses on the path-dependency that institutions can create by providing the structure that shapes the preferences and incentives of actors in a transition process. It thus looks ‘at the range of choices facing policymakers at a given moment’ (Karl cited in Mazo 2005: 4). Hence, new institutionalism is useful for understanding why the actions of the Fujimori and Toledo, two neopopulists, were quite different in some spheres.

¹² This would be the case even if elections are not free and fair. See the section on the role of non-state actors for more information on this issue.

¹³ Defined as ‘the system of beliefs and values in which political action is embedded and given meaning’ (Karl 1990: 3).

¹⁴ See annex 4 with information suggesting that Peruvians have a ‘preference; for authoritarian regimes.

Rational choice institutionalism can be also useful to understand public support. For example, it would argue that it is logical for citizens to support an authoritarian populist leader who maximizes individuals' utility by engaging in clientelism. Nevertheless, the average citizen has only limited knowledge of the structure, operation, and principles of their political system. Hence, since 'their rationality is bounded by the limits of their knowledge' (Mishler and Rose 2001: 316), citizens may make 'irrational' choice. Consequently, the extent to which new institutionalism can explain the process of democratization is limited by the role of agency.

Agency-based theories on democratization address the role of elites as agents of change in the process of democratization. For example, Rustow argued that the beginning of the democratization process would be "the result of the emergence of a new elite that arouses a repressed and previously leaderless social group into concerted action" (Rustow, cited in Mazo 2005: 5). This role was played by Toledo in the later years on the Fujimori regime. O'Donnell and Schmitter argued that transition was partly caused by 'important divisions of the authoritarian regime itself' (O'Donnell and Schmitter 1986: 19). Indeed, this was the case in Peru. But they also argued that successful authoritarian regimes will not be well remembered, and hence that it is less likely that elites will support its return (O'Donnell and Schmitter 1986: 31). Likewise, Casper (2000) argues that the most difficult transitions are most likely to lead to stable democracies (cited in Mazo 2005: 7). As will be seen, the Peruvian case provides evidence that both supports and contradicts the last two statements.

Hybrid Regimes – Delegative Democracy and Competitive Authoritarianism

"Incomplete' transition can lead to the establishment of 'hybrid' regimes, which can be characterized as regimes in between authoritarianism and democracy. Delegative democracy and competitive authoritarianism are two such regimes. Delegative democracy refers to regimes in which 'whoever wins elections to the presidency...govern[s] as he or she sees fit, constrained only by the hard facts of existing power relations and by a constitutionally limited term in office' (O'Donnell 1994: 59). These regimes are hence characterized by low levels of horizontal accountability and therefore exhibit powerful and occasionally abusive executives' (O'Donnell 1994: 59-62). Thus, delegative democracy is an ideal regime for populists because it legitimizes a concentration of power on the executive.

Nevertheless, a delegative regime can become less free and even "illiberal" over time' (Diamond, cited in Schmidt 2000: 101), thus stopping to be a minimal democracy and embracing competitive authoritarianism. Competitive authoritarianism views formal democratic institution as the principal means of obtaining and exercising political authority, but these rules are violated to such an extent that the regime fails to meet the minimum standards for democracy (Levitsky and Way 2002: 52). It is thus an even more ideal regime for populists than delegative democracy, since it enables them to maintain a democratic façade that can be used for legitimacy purposes.

The violation of democratic rules in competitive authoritarian regimes leads to an unfair playing field between government and opposition. By using the media, harassing critics, or even manipulating electoral results, competitive authoritarian regimes manage to make elections quite meaningless. But they are not fully authoritarian because they still have some democratic

institutions, even if extremely weak. Hence, instead of openly rejecting democracy, they opt for more subtle forms of persecution to ‘legally’ harass critics, such as bribery or harassment (Levitsky and Way 2002: 53). In other words, they play within the democratic rules of the game in an authoritarian and repressive manner. And this ‘acceptance’ of democracy can be an important legitimacy tool, as the case of the Fujimori regime will show.

But this ‘acceptance’ of democracy can also be a source of weakness, since the remaining institutions they can be used by the opposition to challenge the regime. Levitsky and Way (2002) argue that there are four important areas of democratic contestation in competitive authoritarian regimes – elections, the legislature, the judiciary, and the media. The opposition can still gain power through elections, which are generally free of massive fraud in competitive authoritarian regimes. The legislature, although weak, can still host opposition activity; and since it is protected by the international community it can be very costly in terms of international legitimacy to shut it down. The same is true for the judiciary. The media can also have international protection, but it is also a powerful means of propaganda that competitive authoritarian executives will seek to have ‘on its side’ (Levitsky and Way 2002, 55-57).

Populist leaders also aim to control these four ‘arenas of democratic contestation’, since they aim to have a ‘democracy’ in which they control as much power as possible. Hence, a populist authoritarian government may coexist with democratic institutions, since as long as the abuses of a regime are not public, ‘the contradictions inherent in competitive authoritarianism may be manageable yet unstable’ (Levitsky and Way 2002: 58-59). The fall of the Fujimori regime is a perfect example of this instability.

Levitsky and Way also state that competitive authoritarian regimes are ‘unable to reduce [democratic rules] to a mere façade’ (Levitsky and Way 2002: 53), which may be somewhat optimistic. They emphasize that there is a difference between democratic institutions that, although weak, can be used by the opposition to challenge a semi-authoritarian regime, and those that are used as a democratic façade to legitimize an undemocratic government (Levitsky and Way 2002: 54), but while this makes a good theory, it is hard for it to be applied in practice. For example, Levitsky and Way cite the Fujimori regime as an example of competitive authoritarianism¹⁵. But as will be seen in the subsequent sections, some actions of the Fujimori administration arguably weakened institutions so much that they turned into a façade that legitimized the regime.

The Role of Non-state Actors in the Democratization Process:

As the previous section showed, the international community has an important role to play in the protection of democratic institutions in ‘hybrid’ regimes. Non-state actors can also counterbalance the power concentration on the executive found in populist regimes. In addition, the increasing transnationalization of democratization has given international actors a bigger role in a country’s transition (Grugel 1999: 5). Consequently, civil society – the sphere of associations, networks, agency and resistance to the state – is taking a new role as the core of democracy, which is reinforced by the globalization and transnationalization of politics, since

¹⁵ Nevertheless, they do make it clear that the post-second reelection Fujimori government exceeded the competitive authoritarian boundaries, thus moving along the regime spectrum towards full authoritarianism.

these have reduced the autonomy of the state and diminished its capabilities (McGrew, cited in Grugel 1999: 12).

Given that the price to pay for being an authoritarian regime is too high in terms of international isolation, states that want to democratize may reach for international democracy promotion aid instead. And, it is very likely that the west will want to impose a 'limited and formalistic version of liberal democracy', following the Washington Consensus model (Grugel 1999: 20). This minimalist democracy can be dangerous in countries where democratic institutions are not consolidated, since they can be exploited by populists and turned into 'hybrid' regimes, as the case of the Fujimori regime shows.

2.4. Conclusion

This section has covered some of the theory that can be used to explain why Fujimori's regime enjoyed more popularity than Toledo's. It has draw from (neo)populist, democracy, democratization, and hybrid regimes theory to outline concepts related to the public legitimacy levels of a regime.

In doing this, the above paragraphs have found that, for the purpose of this study, these theories are best understood together. The key point that unifies all these theories is the discourse of populism, through which executives aim to concentrate as much power as possible to govern in a delegative manner. And this 'unlimited power' can be used by populists to enact popular policies, which citizens reward with support given that they are rational utility-maximizers.

Neopopulism has been defined as populist discourse accompanied by the pursuit of neoliberal policies. This partnership is built on common goals and populists and neoliberals, including an aversion to organized society, concentrating power on the executive, and benefiting from solving a crisis. Populists appeal to 'the masses' in an attempt to build up their popularity, since they would rather bypass institutions and use public opinion as their ultimate source of legitimacy. Feeling empowered with this support, populists can engage in authoritarian measures to get the opposition 'out of the way'. Given the compromising that is inherent in democracy, as well as the institutions it requires, extreme populists may not tolerate democracy, even in its minimalist expression. Hence, a successful populist is likely to establish at least a delegative democracy, although a competitive authoritarian regime would be preferable. These 'hybrid' regimes are a result of 'incomplete' transitions, in which for different reasons democratic institutions have not grown strong enough to halt their co-optation by populists. Hybrid regimes give ample maneuver room for populists to carry out 'miraculous' reforms that 'appeal to the people' and that are rewarded with public support.

The next chapters will show that the above framework is applicable to the Fujimori regime, but not to Toledo's. While the reasons behind the Toledo paradox are complex, as will be seen, his regime is an example of the limitations of theories. Nevertheless, they can still help to understand the paradox that this essay attempts to comprehend.

Chapter 3

POPULISM AND DEMOCRACY IN PERU

Peru became independent from Spain in 1821. Its first constitution, based on the European experience and on the values of a liberal democracy, soon proved to be inadequate for the country's reality. Initially, the Peruvian democracy was an oligarchy, which was replaced by military dictatorships. Finally, in 1980, the last military leader was overthrown, and Peru returned to the path to democracy.

Time proved, however, that this return to democracy was only temporary. In the 1990s, Peru had a new kind of dictatorship, not led by a military leader, but by a civilian who had learned that authoritarian leaders need the support of the military. From Leguia - arguably the country's first populist - to Velasco, and later on to Fujimori, power-hungry executives have undermined democratic institutions to concentrate power in their own hands. The aim of this section, then, is to provide the reader with a brief review of how previous authoritarian regimes in the country were able to hold on to power in Peru, as well as to outline the peculiarities of the Peruvian democracy that ultimately led to the neopopulist regimes of Fujimori and Toledo.

3.1 The appeal of populists in Peru

Ever since it was established, the Peruvian democracy has had some weaknesses that have not been addressed yet. Whether viewed as pre-conditions for the establishment of democracy or as conditions for democracy to work, the characteristics outlined below have historically played a role in allowing neopopulist leaders to emerge.

The 'Colonial Heritage' – Racism and Exclusion:

Leonard Binder believed that democracy was more likely to emerge if questions of national unity were resolved before the establishment of a government (Mazo 2005: 3). But Peru is not a country where all citizens regard each other as equals. Racism and exclusion has and is preventing Peruvians from seeing one another as part of a national whole. And this division within Peruvian society has provided populist leaders with an ideal scenario, where they can lead a 'the people vs. the white elite' battle.

The exclusion of some segments of society from politics has taken place since the Viceroyalty, but it has been exacerbated by the democratization path the country has taken. The indigenous were excluded from Peru's democratization project since the very beginnings - the indigenous elite was abolished as a class due to their participation in the first independence movements¹⁶ (Manrique 2006: 18), which left the indigenous with no representatives in the government. Consequently, independence and its aftermath resulted in few changes to their quality of life. And this is what Stanley and Stein (1991) called the 'colonial heritage' of Latin America (Stanley and Stein, cited in Manrique 2006: 22).

¹⁶ For more information on the abolishment of the curacas – the indigenous elite – as a class and on the subsequent exclusion of the indigenous from government affairs, see the work of Manrique (2006).

As a consequence of the exclusion practiced since independence, political parties rarely represented the interests of the weakest sectors of Peruvian society, and hence they are viewed with mistrust by much of the population (Ferrero 1993: 29). This ‘vacuum of representation’ was used since the early democratic years by populists, who portrayed themselves ‘saviors of the masses’ to gain popularity. ‘The masses’, being utility-maximizing individuals, supported populists because they were ‘on their side’. Years later, both Fujimori and Toledo would portray themselves as representatives of the traditionally excluded in an attempt to win mass support.

The historical role of the military in politics:

O’Donnell (1996) has argued that, in a polyarchy, elected authorities should not have to consult their decisions with non-elected actors, such as the armed forces. Yet the military has been a very strong political player in Peru since the establishment of the Republic. This historical role of the military as ‘guardians of the motherland’ ultimately made a regime, whether democratic or authoritarian, dependent on its approval by the armed forces. Hence, populist leaders have shared a tendency to ally with the military, which has the strength to keep civil society and any opposition under control, thus allowing them to remain in power.

The political strength of the military started after independence, when the institution established itself as the ruler because there was no dominant class to fulfill this task¹⁷ (Manrique 2006: 17). The military ruled the country for half a century, until economic problems turned the government became increasingly unstable. The first civilian president, Jose Pardo, was elected in 1872 (Manrique 2006:17). But the military did not leave the political scene for long.

Leguia, a former military, succeeded Pardo as president in 1908. Once his first term was over, a military coup returned him to power. The first president to ever dissolve Congress, Leguia’s regime ‘set a template for authoritarian rule for the rest of the twentieth century’ (Atwood 2001: 156), which was later used by Fujimori. This template was composed of ‘extreme centralization, a heavy reliance on intelligence services to isolate political opponents, government takeover of influential news media, and perpetuation of the regime through constitutional “reform” and dubious elections’ (IBID). Thus, Leguia began a tradition of strong executives with ties to the military that would do anything to increase their personal power, such as damaging democratic institutions and violating human rights. The Leguia legacy, then, left future populists with a ‘template’ on how to gain power and use it to legitimize their regime.

But while Leguia’s ‘thirst for power’ was very similar to that of populist leaders, his ‘favors’ to the masses were not strong enough to legitimize his authoritarian and oppressive practices. He faced harsh opposition from civil society; which resulted in the birth of two of Peru’s traditional political parties - the APRA and the PCP. Leguia’s regime was followed by a 30 year military rule supported by the oligarchy. While elections were held, they were only symbolic (Manrique 2006: 40). Thus, electoral institutions were already seen as tool to legitimize an authoritarian regime.

¹⁷ The traders – the most important elites of the Peruvian Viceroyalty – disappeared as a class after independence. Source: Manrique (2006)

After demands for democratization, elections were held in 1956. But the citizenry lacked electoral choice – an alliance known as ‘*La Convivencia*’ was established between the major political parties, and they all agreed to support one candidate from the oligarchy. Also, since the APRA had joined this alliance (Manrique 2006: 40), civil society lost one of its mayor tools to organize against the oligarchic regime, and the masses felt once again excluded from politics.

The military, frightened of a Cuban-style revolution, took matters into its hands. It broke down ‘*La Convivencia*’ and overthrew democratically-elected Belaunde with a coup in 1968 (Carrion 1998: 56). The new dictator, General Velasco, started a ‘revolutionary’ government that could be qualified as populist. He carried out a drastic agrarian reform that broke down the *latifundios*¹⁸, which made his regime popular among the poor (Carrion 1998: 56). But, like other populists, his ‘thirst for power’ made him engage in authoritarian practices. Strikingly similar to what would take place under Fujimori, Velasco closed the congress, placed his allies in the judiciary, and banned all political parties. His regime also expropriated much of the media, claiming that they were ‘attacking the revolution’ (Manrique 2006: 42). Velasco thus showed that a populist could increase the executive’s strength and silence the opposition using authoritarian measures, provided he had the support of the military.

The military’s twelve-year rule was ended due to civil society demands for democracy and to the economic problems brought about by the agrarian reform. In line with rational choice institutionalism, citizens pushed for the end of a regime that was not performing well either economically nor politically. But even though Peru has not had a military dictatorship since 1980, the military regimes left a strong legacy. First of all, they left an inexperienced electorate with weak democratic institutions, given the numerous authoritarian regimes of the Republic. Further, the indigenous were only allowed to vote in 1979 (Manrique 2006: 43); and even today, some of them are still face barriers to voting in elections.

The military regimes also started the attachment of the masses to populist leaders such as Velasco. The fragmented and unrepresentative party system of Peru left a political vacuum, which was first filled by populist military officials and later on by populist civilians. Thus, Peru has not evolved partisanship, but rather a constant search for a new, stronger populist leader that represents the interests of the masses. The fondness of Peruvians for ‘saviors of the masses’ and the circumstances of Peru in the late 1980s explain the election of Fujimori in 1990.

The 1980s – a fragmented Party system, economic crisis, and political violence

The successor of Morales’ military regime was Belaunde. His administration faced an economic crisis, the threat of an increasingly powerful guerrilla, and demands for income redistribution that could not be met. Even the leftists IU politicians were failing to meet public expectations, since the hyperinflation impeded the government from providing more public services (Carrion 1998: 56). Thus, citizens had lost faith in political parties, and hence were eager to give political outsiders a chance.

The lack of representation of the poor in political parties and the inefficiency of the government strengthen the appeal of the Shining Path, a radical Maoist movement founded in 1960 by

¹⁸ For more information on the agrarian reform, see Manrique (2006) and Carrion (1998).

Abimael Guzman. It had been growing since the first government of Belaunde, particularly in the rural regions. The strength of SL and of the MRTA, another terrorist organization, increased throughout the Belaunde and Garcia regimes. By 1990, they were already very strong in Lima.

The destruction of infrastructure panicked citizens and worsened the economic situation of the state. Poverty was widespread - more than half of Peruvians were living below the poverty line, and 1/3 of the population was living in extreme poverty. At the same time, the income of the elites was increasing (Manrique 2006: 46). This increased the existing inequalities and strengthened the guerilla's cause. Further, it alienated the masses from traditional politicians, who were mostly from the elite, and made populists even more appealing.

Meanwhile, the government had become increasingly exclusionary in nature, distancing itself from the people it was supposed to serve. Corruption was publicly rampant. Consequently, the legitimacy of the state was decreasing. Finally, the colonial heritage of oligarchy rule and racism was and still prevalent in the country (Manrique 2006: 47).

Therefore, the scenario of the late 1980s in Peru was optimal for the rise to power of a political outsider. Peruvians were tired of the political gridlock of democracy, and were eager to elect someone 'who was not affiliated with the traditional parties, and who could offer hope and new ideas to a nation wracked by social, economic, and political crisis...' (Ferrero 1993: 29). Additionally, the ethnic and economic divide between leading presidential candidate Vargas Llosa and most Peruvians made Fujimori's populist discourse even more appealing to the masses (Mauceri 1995: 18). Hence, Fujimori was elected president.

3.2 Conclusion

This section has provided a historical background of the nature of regimes in Peru, and has outlined the critical context in which Fujimori came to power. It has been shown that the social and economic conditions of Peru in the 20th century were conducive to the emergence of populist leaders. Presidents Leguia and Velasco constructed a 'template' for authoritarian rule that was suitable for populists that acknowledged the historical role of the military in politics. Hence, they kept the organization 'on their side'. While both populist also acknowledged the importance of public opinion for the stability of their regime, Velasco was particularly good in appealing to the masses through clientelism.

Peru was ground terrain for the emergence of a populist leader in the late 1980s. The people were no longer willing to put up with the bad governance of traditional politicians, and wanted to elect someone who would solve the economic and social problems. The persistent racism and exclusion made it rational for the excluded to vote for a leader who was against 'the oppressors', and since traditional political parties were weak, it was no problem for Fujimori to create his own disposable party. Hence, Fujimori came to power armed with the support of 'the excluded' and with their hope that he was going to 'save' them from the economic and political crisis.

Chapter 4

A COMPARATIVE ANALYSIS OF THE REGIMES

As the last section has made clear, the situation of Peru in 1990 was chaotic. Hyperinflation was rampant, and the shining path was growing stronger. The state was losing its legitimacy, and an increasing number of Peruvians were supporting the ‘revolution’ of the Shining Path.

The above problems were the consequence of undesirable characteristics of the Peruvian democracy that have been present ever since the colonial era. And these characteristics were exploited, although not for the first time, by both Fujimori and Toledo in an attempt to establish and legitimate a populist regime. But while the former was quite successful in doing this, enjoying high popularity levels throughout his regime, the later had low public support¹⁹.

The aim of this section, then, is to outline the evidence that will be used to determine what are the reasons behind the divergent public legitimacy levels of Alberto Fujimori’s and Alejandro Toledo’s regimes. It will outline the tools and methods that Fujimori and Toledo employed to legitimize their regimes, as well as some of the obstacles they faced.

This comparative analysis will be divided into two sections - the first section will analyze the populist tactics of each leader, and the second the (un)democratic nature of the regimes.

4.1. Neopopulism, politics, and legitimacy

Fujimori and Toledo aimed to increase their popularity by appealing to the impoverished masses. They also aimed to please the international community and generate economic growth in Peru by pursuing neoliberal economic policies. Hence, they both fit under the label of neopopulists (Barr 2003: 1161). But since the discourse of populism is malleable (Feischi 2004: 236), both leader used different tools to legitimize their regime.

This section will look at the neopopulists elements that were present in the Toledo and the Fujimori regimes, as well as how they contributed to an increase/decrease in the public support of the regimes.

4.1.1 The Appeal of a ‘Chino’ and a ‘Cholo’ to the Peruvian Masses:

Like many populists, Fujimori came to power in a time of crisis, a crisis that the traditional political elite had been unable to resolve. Peruvians were tired of the political gridlock of democracy, and were eager to elect a political outsider who had the potential to solve the country’s problems. Fujimori thus capitalized on his ‘foreign’ status within the political world, as well as on his Asian heritage, which in Peru is associated with being hard-working and honest. He also used popular-democratic elements, such as driving a tractor and wearing ponchos, to

¹⁹ See annex 1 on the popularity levels of Toledo and Fujimori.

present himself as the alternative to traditional politicians²⁰, and hence expressed populist elements since the beginnings.

Toledo's regime was the second transition government after a ten-year semi-authoritarian regime that weakened democratic institutions. He faced a Peruvian citizenry that was just starting to regain hope that the government could work for 'the people'; and who better to fulfill this task than a 'cholo'? Toledo used his humble indigenous background to establish himself as the leader of 'the masses', and presented himself as 'one of them'. Happy that Peruvians nicknamed him '*el Cholo*', he encouraged Peru's indigenous-descendant people to vote one of their own into the palace. He thus also used popular-democratic elements to create an antagonism between the dominant and the dominated (Laclau, cited in Feischi 2004: 239), the white elite vs. the indigenous. His wife argued that Toledo's presidency constituted a return of political power to the Indians after a 500-year interlude (Barr 2003: 1164), thus claiming that Toledo would bring politics back to the people and away from the corrupt elites. And such claims are a 'hallmark of populism' (Feischi 2004: 238), which if success can result in public support.

In order to make their appeal stronger, both presidents sought to participate in distributing benefits to the people, since this would make the masses believe that they were indispensable to improve their lives; a belief that is likely to be rewarded with support. Thus, while Fujimori was present at the inauguration of his many '*obras*', Toledo could be seen handing out new computers at schools, and was also present in the inauguration of public works (Barr 2003: 1166). By constantly being present in poor areas of the country, giving 'gifts' to the people, they hoped to gain the public support that neopopulists can rely on as their *ultima ratio* (Weyland, cited in Barr 2003: 1163).

4.1.2 Promises and Policies

According to Weyland (2000), Peruvian citizens are constant optimizers, that is, they 'quickly take prior accomplishments for granted, advance ever new demands, and refuse to give a leader who was successful in the past 'a break' in the present and future' (Weyland 2000: 482). Thus, presidents cannot rely on solving a crisis to legitimize their regimes, but they must constantly provide benefits to the citizenry if they wish to gain sustained support.

As neopopulists, both Fujimori and Toledo appealed to the impoverished masses by distributing benefits in a clientelistic manner. Hence, they devised their own social policy programs in a manner that would highlight them as the provider of goods for the people. Fujimori was particularly successful in this realm, largely thanks to the control of the executive over the other branches of government²¹. Thus, Fujimori changed the budget priorities to create programs that would further increase his popularity, and hence his personal power. Interestingly, he used the funds from the first privatizations of SOEs for his social programs, in spite of the disapproval of his neoliberal Minister of economic Bolona (Kay 1996: 66). This suggests that Fujimori was instrumentally using neoliberalism, thus taking advantage of the malleability of populist discourse to pair it with different economic ideologies as convenient.

²⁰ Even the name of his political party, Change 90, alluded to how he could change the government from being exclusionary to working for the people.

²¹ Section 4.2 will discuss how Fujimori managed to achieve this.

Fujimori's desire to engage in clientelism resulted in the creation of a 'Ministry of the Presidency' that took over the 'popular' functions of other ministries, such as education and health programs for the poor and the *vaso de leche*. Consequently, by 1998, this Ministry that did not even exist in 1990 handled 22.2% of Peru's national budget (Atwood 2001: 167). Hence, through the informal institution of clientelism, Fujimori expected 'rational' individuals to support him, since he was the provider of material benefits. Unfortunately, Peruvians' false impression that they had Fujimori to thank for the new social programs resulted in a substantial increase of his popularity, which led to his victory in the 1995 elections²², and which gave him the power to legitimize his authoritarian and repressive actions.

Toledo's electoral campaign revolved around criticizing the Fujimori legacy and promising more jobs and a better economic situation for '*cholos*' like himself. Faced with a citizenry that was outraged by the corruption levels of the Fujimori regime, Toledo promised to reverse the power and corruption network that the former president had built. While giving up power is not typical for populists, his promises to clean up government corruption, remove the authoritarian elements of the 1993 Constitution, gain Fujimori's extradition from Japan, and speed up the trails of government officials involved in the Fujimori-Montesinos mafia were well received among the public (Barr 2003: 1165). In doing this, he was using a populist discourse to identify a common enemy of 'the people' – the Fujimori administration. Additionally, he promised to create one million new jobs, and 'pledged not to privatize any state-owned companies' (Barr 2003: 1165)

Unfortunately, Toledo was unable to fulfill many of his promises. Among the promises he fulfilled are the provision of benefits to the poorest sectors through programs such as *A Trabajar*, a temporary job programs for the poor. In fact, the social expenditure of Toledo's government was high, being in 2002 7.5% higher than in Fujimori's last year in power (Barr 2003: 1166). He was aware that to be a successful populist, his regime had to meet the demands of the people, which he hoped would increase his popularity.

Nevertheless, an increased social expenditure did not satisfy a citizenry that had expected too much from Peru's first indigenous president and that was tired of neoliberalism. Being a neopopulist²³, Toledo appealed to the poor *and* pursued neoliberal policies in a time when the citizenry was tired of 10 years of neoliberal policies that has not resulted in the 'promised fruits'. Consequently, citizens acted according to RCI and disapproved of Toledo's neoliberal measures.

Fujimori, on the other hand, was at a privileged situation for a neopopulist – he implemented orthodox policies when the citizenry was exhausted of heterodox ones. Thus, he was accepted as the leader of 'the people' against both the established structure of power and the dominant ideas and values of society (Canovan, cited in Stavrakakis 2004: 258). Further, he promised citizens that they would obtain economic benefits from the reforms being implanted during his regime, which also increased his support²⁴.

²² For more information on the success of Fujimori's clientelism, see annex 3.

²³ Arguably, Toledo was a 'neoliberal at heart', given his educational and professional background. Fujimori, on the other hand, embraced neoliberalism when it was convenient.

²⁴ Chapter 5 will further discuss how the implementation of neoliberal reforms boosted Fujimori's popularity.

4.1.3 Attacks on traditional politicians

Since neopopulists dislike organized civil society, which may limit their power (Weyland 2003: 387), both Fujimori and Toledo attacked their political opponents. Fujimori attacked the traditional political parties, arguing that their '*partidocracia*' was blocking 'real' democracy. A good populist, Fujimori quickly learned that attacks on established politicians and their organizations enhanced his standing as leader of the masses, since his speeches identified the political elite as the enemy of the poor. Thus, vilification against the '*partidocracia*' intensified over the months leading up to the 1992 self-coup (Taylor 2007: 6). Once he became the leader of 'the masses', Fujimori had enough popularity to legitimize the closure of Congress, thus violating basic democratic rules in order to get rid of his political opponents.

Fujimori also criticized harshly his opposition for the 2000 presidential elections. His speeches claimed that traditional politicians wanted to take democratic power away from 'the people' and back to the elites²⁵. But, as evident from his illegitimate third term, Fujimori did not seek to restore the political system from the wrongdoings of traditional politicians. Rather, he sought to use its weaknesses to get rid of his opponents and concentrate power in his hands, exemplifying an entrepreneurial populist who 'plays the system'.

Toledo identified Fujimori and his allies as the enemy of 'the people'. The Fujimori administration was criticized for its corruption and abuse of power, as well as for the excessive centralization of power and lack of transparency of the government. Thus, as part of his presidential campaign, Toledo promised to clean up the damage done by Fujimori. Hence, the anti-politics rhetoric of the Toledo regime was one of the people versus the former neopopulist regime (Barr 2003: 1165). Unfortunately for Toledo, this did not result in massive public support.

4.1.4 The Role of the Media

The power of the media in politics should not be underestimated, especially when a neopopulist politician is involved. Populists are generally not affiliated to traditional political parties, and they thus do not expect to gain any votes from partisanship. Instead, they rely on the media as an alternative method to address the masses. The media played a key role in both the Fujimori and the Toledo regimes, but in very different ways – while the media helped to legitimizing the Fujimori regime, it seriously hampered the popularity of Toledo's.

The Fujimori administration was well aware that the media could play a key role in boosting the popularity of a neopopulist (Boas 2004: 32), especially given Peru's fragmented party system and the accessibility and trustworthiness of television in the country (Boas 2004: 30). Hence, the Fujimori regime took control of the media. Fujimori used his extensive power network to influence television channels to provide favorable coverage of his regime. Montesinos ensured favorable media coverage through bribes or by intimidation, as the expropriation of channel 2 from its legitimate owner, Israeli-born Baruch Ivcher, shows. Through a co-optation of the

²⁵ For example, his 2000 electoral campaign slogan was 'Democracy belongs to the people – Democracy is not power in the hands of a few'.

media, Fujimori attempted to stop ‘the people’ from knowing that he was not really against the established structures of power, but that he was an ‘entrepreneurial populist, using the system for the enrichment of himself and his allies. Furthermore, Fujimori television programs to bypass political institutions and personally communicate with millions of voters at once. (Boas 2004: 30). By the late 1990s, only cable channel N aired programs critical of Fujimori’s government.

By the time of the 2000 elections, the extensive mechanism for media control used by the Fujimori regime had been exposed and effectively dismantled. Hence, the television coverage of presidential candidates was not biased, which enhanced the democratic significance of these elections by making neutral information available to the voters. And this free media was very important for Toledo who, given his lack of political experience or party affiliations, had to rely on the media to provide a guide to voters on what his course of actions might be once elected (Boas 2004: 37).

Consequently, Toledo needed to communicate effectively and win support via television rather than intermediary organizations if he was to be a successful neopopulist. Unfortunately for Toledo, the media engaged in a ‘soap-operatization’ of the Toledo regime. The media stories on Toledo, his cabinet, and his family seemed to be taken out of a Latin American soap opera, including scandals such as the president’s use of drugs, the sexual orientation of one of his ministers, and a paternity suit that followed Toledo throughout his regime. Consequently, Toledo was unable to use the media to bypass political institutions. Further, the stories of the media alienated Toledo from ‘the masses’, since someone who frequented luxurious hotels could not be seen as a populist who identified himself with ‘the excluded’. Peruvians will never know whether all of the tabloid stories were true, but significant damage was done from them. As Toledo argued, the excessive attacks to his administration resulted in the instability of his regime²⁶ (BBC Mundo).

4.2. Peru under Fujimori and Toledo: Democracies, or Pseudodemocracies?

This section will look at the methods used by the Fujimori and Toledo regimes to legitimize themselves as a ‘democracy’ and at their ‘true’ nature. It will thus look at their respect (or lack thereof) towards democratic institutions and at their relationship with the military and civil society.

Scholars have struggled to classify the Fujimori regime²⁷. Levitsky and Way (2002) label his regime as ‘competitive authoritarian’, and argue that, while he manipulated democratic institutions, the regime was not a mere democratic façade. Nevertheless, the evidence presented here suggests that the oppression of the opposition and manipulation of democratic institutions did in fact turn the Peruvian democracy into a façade. Furthermore, this control over democratic institutions allowed him to attain high public support levels.

²⁶ Source: BBC Mundo ‘Parenlo! Dice Toledo a Peruanos’. Available at: http://news.bbc.co.uk/hi/spanish/latin_america/newsid_4190000/4190181.stm Accessed on August 20th 2008.

²⁷ For example, Diamond initially classified it as a ‘liberal democracy’ while O’Donnell (1994) classified it as a Delegative Democracy.

In the case of Toledo's regime, the data will show that his regime largely complied with the minimal requirements of a polyarchy, but it failed to fulfill citizens' demands into the regime for complex reasons, which resulted in the regime's lack of legitimacy.

4.2.1 (Lack of) respect for Democratic Institutions:

The Fujimori regime severely weakened democratic institutions in an attempt to concentrate power on the executive. Fujimori's very own political parties were weakly-institutionalized and not allowed to grow strong, and hence remained highly personalistic. Thus, Fujimori expressed the populist characteristic of bypassing institutions and addressing 'the masses' in a quasi-personal manner (Weyland 1999: 381).

Once elected, Fujimori quickly gained new allies; and his regime became a coalition of diverse actors – including the military, civilian technocrats, and business groups – that aimed to implement neoliberal reforms (Mauceri 1995: 18). And this coalition would do anything to start this as soon as possible, even if that meant undermining democracy itself.

Consequently, the executive set off to weaken the other branches of government, which eventually allowed power to be concentrated in the hands of a few key players of the coalition. Thus, since the beginning of his government, Fujimori largely ruled by decree²⁸, unilaterally writing the law. Further, the president refused to negotiate with any of the parties represented in Congress. The president argued that these measures were not taken to enhance his personal power, but were necessary in the fight against terrorism (Ferrero 1993: 30). Given that the terrorists were a terrifying public enemy, Fujimori's claim legitimized his delegative way of ruling.

The self-coup of 1992 – consisting in closing the Congress and the judiciary, and installing an 'emergency government of national reconstruction' made up by Fujimori and a few cabinet officials - was setback in Peru's democratization. Thus, by 1992 democratic institutions had been so disrespected that the regime failed to meet the minimum standards for democracy (Levitsky and Way 2002: 52). Fujimori legitimized his actions through a referendum and elections for a new Congress, both of which were a success for him given his popularity at the time (Mauceri 1995: 31). Therefore, the *fujigolpe* marked the end of democracy, even if delegative, and the beginning of competitive authoritarianism.

Once Fujimori had control over the country's law-making institution, he could modify laws to increase his power. For example, the new 1993 constitution gave the president power to dismiss the legislature, increased the executive's control over the judiciary and allowed for re-election of the president (Mauceri 1995: 32). Fujimori was thus living the populist dream, blurring the separation of powers between the executive, the legislature, and the judiciary; all of which were now under the control of the executive.

²⁸ Under Public Law 25327, the president could issue laws by decree in the areas of economic policy and national security. (Ferrero 1993: 30).

Fujimori's regime also took control over the National Office of Electoral processes, ONPE, in order to keep a façade of free and fair elections. Its offices were staffed by government supporters, which enabled the regime to manipulate electoral results in favor of Fujimori and his allies. Hence, the 2000 elections marked a shift towards authoritarianism, since electoral institutions stopped being one of the areas of democratic contestation that competitive authoritarian regimes have (Levitsky and Way 2002, 54). Furthermore, the method of electing congress representatives was changed to undermine local representation and municipal governments were stripped of much of their local funding (Balbi and Palmer 2001: 66). Consequently, the executive's power was increasing at the expense of the autonomy of local governments.

O'Donnell and Schmitter argue that transition can be partly caused by 'important divisions of the authoritarian regime itself' (O'Donnell and Schmitter 1986: 19). Indeed, the Fujimori coalition fell mainly due to a 'traitor' who provided the opposition with a videotape documenting the huge corruption network that was employed to sustain a democratic façade. The famous *Vladivideos* exposed the total illegitimacy of the government (Balbi and Palmer 2001: 68), since it documented how important government supporters had been 'bought'.

After the government's corruption was exposed, citizens no longer believed that Fujimori was there to 'save' them. Hence, the executive was left with no tools to win supporters and to rule in an authoritarian manner. Facing an opposition-run congress, and aware that the recent scandals would reduce his popularity, Fujimori was in no position to repeat the self-coup of 1992. Consequently, 'when he could no longer make the rules of the political game, he decided that he would take his ball and go home—to Japan' (Balbi and Palmer 2001: 70).

The fall of Fujimori was very chaotic for the country. And since transitologists argue that the most difficult transitions are most likely to lead to stable democracies (Casper, cited in Mazo 2005: 7), then the new democracy should be stable one. While Paniagua's nine-month presidency was stable, Toledo's government was far from that.

Unlike Fujimori, Toledo respected democratic institutions, if anything because he could not afford to further upset a public already disillusioned with democracy. He was one of the leaders of the civil society movements against Fujimori's third term, and withdrew from the 2000 elections when it became clear that they were not transparent (Balbi & Palmer 2001: 67). His political Party, PP, became stronger as he emerged as the leading opposition figure to Fujimori. Consequently, when PP assumed office, it was a personalistic party, made up of people with no shared ideology whose only common ground was that they supported Toledo (Taylor 2007: 13). Given that populists would prefer to concentrate power on themselves than on a party, Toledo was probably pleased with this at first. But it proved to be detrimental in the long run.

PP's position in Congress was weakened by conflicts among its representatives, who prioritized their personal objectives rather than PP ones. Further, the disputes between PP representatives reinforced the public's opinion that the executive was weak and divided, which in turn increased Toledo's unpopularity (Taylor 2007: 13). In addition, Garcia and his congressmen proved to be a challenge for Toledo throughout his administration (Barr 2003: 1161). But Toledo did not resort to the repressive practices of the Fujimori regime. He allowed freedom of speech

both within democratic institutions and in civil society, since silencing the opposition would have been dangerous given the public's sensitivity towards disrespect of democratic institutions.

Furthermore, Toledo did not resort to executive decrees as a method of silencing congress opposition, nor did he avoid the 'bounded uncertainty' of democracy (Schmitter and Karl 1993: 82). In a strangely 'unpopulist' manner, Toledo decided not to bypass the typical legislative process to govern in a personalistic, delegative manner as much as Fujimori (Barr 2003: 1167). Additionally, Toledo gave power back to regional governments through his decentralization program. And even though the electoral results were disastrous for Toledo's Party, which won power over only one of the 25 regions, he did not go back on his promise to decentralize. Fujimori, on the other hand, had created and appointed his allies to the *Consejos Transitorios de Administracion Regional*, which gave the executive power over regional governments (Barr 2003: 1167). Hence, while Fujimori would do anything to concentrate power on the executive, thus being a perfect example of a populist, Toledo put the need to strengthen democratic institutions before his desire for a strong executive facing no checks and balances that would have made his rule much easier.

4.2.2 A Special Relationship with the military

O'Donnell (1996) argued that non-elected authorities such as the military should not participate in the policymaking process of a polyarchy. But the military, an ally of Fujimori, gained strong political power during his regime, which means that the regime cannot be characterized as a polyarchy. Fujimori argued that he needed the military due to the lack of social order in the country. It turns out that the military was there to help Fujimori concentrate power on the executive.

Fujimori established a strong friendship and partnership with Vladimiro Montesinos, who was named head of the SIN, and became the liaison between Fujimori and the armed forces (Mauceri 1995: 20). The Leguía and Velasco regimes had shown that executives could get away with shutting down the Congress and the Judiciary and stay in power for numerous years, provided they had the support of the military. Fujimori used the military for the same purpose.

With the help of Montesinos, Fujimori fired all the high-rank police, military, and interior ministry employees that were assigned during the García administration (Mauceri 1995: 20), and replaced them with his supporters. Thus, not only did the president gain control over the congress and the judiciary, but over the military. By the time of the self-coup, Fujimori counted with the vital support of the armed forces. Hence, his new allies helped him to attain the power necessary to approve the popular policies that would boost his popularity. And, in return for their support, Fujimori used his power to pass laws that would protect military officials from being prosecuted for violating human rights (Mauceri 1995: 23).

The relationship of the Toledo regime with the military was a more 'normal' one, at least for the Latin American region. It is not known that he had any special links with the military, and if anything, he was not very popular within this institution, since in 2005 he faced an unsuccessful

coup d'etat from a group of nationalist former militaries²⁹. Thus, in Toledo's polyarchy only elected authorities were involved in the policymaking process.

4.2.3. Relationship with Civil Society

Grugel argues that a sustainable democracy creates social citizenship, which requires the exercise of citizenship via social activism (Grugel 1999: 10). Thus, a strong civil society can demand the rights that citizens are entitled to and act as a watchdog for the government, which makes it more difficult for a government to engage in illegitimate acts. But, since populists fear that strong organizations that may limit the executive's power (Weyland 1999: 388), Fujimori repressed civil society.

Thus, Fujimori's regime violated basic attributes of a polyarchy, such as to grant political and civil freedoms to citizens (Dahl 1989: 221). Fujimori started weakening workers unions and social movements since the beginning of his rule (Mauceri 1995: 24). Hence, it is arguable that the early Fujimori regime was not a polyarchy but a delegative democracy.

The beginnings of the Fujimori regime were also accompanied by a growing militarization visible by citizens, such as tanks parading on the streets (Mauceri 1995: 20). This helped to spread fear, already high among the Peruvian citizenry due to the terrorist activity in the country. And this fear was used by Fujimori and his allies to legitimize authoritarian and repressive actions. For example, the public largely supported his 1992 self-coup³⁰ partly because Fujimori argued that a corrupt judicial system and congress was blocking the approval of his harsh anti-terrorist laws. Hence, Fujimori identified terrorists and the traditional politicians as 'the enemy', which allowed him to engage in a populist discourse.

The regime's increasingly authoritarian nature is evident from its increased repression of civil society. For example, in competitive authoritarian regimes, the media is an area of democratic contestation which can be used by the opposition to challenge the regime (Levitsky and Way 2002: 57). But the media was so controlled by the government in the late 1990s that it was not usable by the opposition. Arguably, then, the later years of the Fujimori regime fail to meet the criteria for competitive authoritarianism.

International funding of civil society building projects translated into a stronger civil society towards the end of the Fujimori regime. Society movements supported Toledo as 'the enemy' of Fujimori's increasingly authoritarian regime. Yet this same civil society turned against Toledo when he failed to deliver some of his campaign promises³¹. As Barr (2003) has stated, this reflects an increased willingness of the citizenry to mobilize to express demands, yet it also reflects a change in the government's attitude towards freedom of expression. Once again, then, Toledo was giving up the 'populist dream' of power concentration to allow the strengthening of

²⁹ Source: Biografía de Alejandro Toledo. http://www.biografiasyvidas.com/biografia/t/toledo_alejandro.htm Visited on August 18, 2008

³⁰ For example, a nationwide survey taken days after the coup revealed that 88 percent of the respondents approved the president's decision to dissolve Congress and 94 percent supported his plan to reorganize the judiciary (Ferrero 1993: 33). See annex 1 for more information of public support for Fujimori's authoritarian measures.

³¹ For example, there were massive street protests against the privatizations of State-owned utilities companies.

civil society. This attitude was definitely a step forward in the democratization path, since freedom of expression, sources of alternative information, and associational autonomy are all key elements of a polyarchy (Dahl 1989: 221).

4.3 Conclusion

This chapter has described the extent to which concepts on (neo)populism, democracy, and ‘hybrid’ regimes are applicable to the Fujimori and Toledo regimes, and how the regimes’ nature affected public legitimacy levels. The first section provided evidence that Fujimori was, by and large, a populist. While he was a neopopulist throughout the majority of his regime, his belief in neoliberalism was instrumental, and he would switch to heterodox traditional when convenient. Toledo, on the other hand, expressed some populist elements, but could not engage in maneuvers that led to populist success, such as concentrating power on the executive or repressing organizations. Fujimori, on the other hand, did this as he pleased, thus gaining enough power to engage in clientelistic practices that empowered him among ‘the masses’. Finally, it was found that the public’s opinion of the Toledo regime was very damaged by trivial media stories.

The second section determined that Fujimori’s regime does not meet the requirements of a polyarchy. For example, the military had political power and civil society was repressed. But in spite that the regime was largely authoritarian, Fujimori was very skilful at presenting his regime as a ‘democracy of the people’; partly thanks to a manipulation of democratic institutions but also thanks to his skills as a populist leader. Toledo’s regime, which can be classified as a ‘polyarchy’, did not achieve a sound legitimacy, partly thanks to the compromising inherent in democracy, which slowed down the reforms that the public wanted so much.

Chapter 5

Authoritarian Efficiency and Democratic Unpopularity

This section will start by providing evidence that the Fujimori regime was and is more popular than Toledo's in Peru. At a first sight, it may seem that Toledo's unpopularity can be blamed on his inability to successfully embrace populism and on his 'extravagant' way of life frequently featured on the cover of popular newspapers. After all, the scandals he was involved in were not few. But Toledo also faced obstacles that were not the result of his actions, such as the absence of a crisis, public weariness of neoliberalism, the reaction to the Fujimori regime, and Peruvians' acceptance of authoritarian governments. He thus became president under 'conditions that would affect the governance of any neopopulist leader in Peru' (Barr 2003: 170), which ultimately impeded his regime from achieving high levels of public support.

In addition, it was harder for Toledo to be a successful neopopulist because he played by the rules of the democratic game. Unlike Fujimori, he respected democratic institutions, and thus compromised with the opposition in the policymaking process. Had Fujimori done the same, it is questionable whether he would have been able to approve some of the policies that allowed him to be such a successful neopopulist. Thus, the divergent popularity levels of two former presidents are not just the result of different personal skills or 'charisma', but also of an uneven playing field.

5.1. The Evidence: Diverging levels of mass support

The aim of neopopulist leaders is to centralize power in their hands, which can be used to enact policies that increase their popularity. And populists desire broad mass support because it can be used as their *ultima ratio* (Weyland, cited in Barr 2003: 1163).

Fujimori was quite popular throughout his regime, enjoying an average approval rate of 61% during his first five year term. In spite of his constant violations of the democratic rules of the game, public support helped him maintain a democratic façade. For example, as was discussed in chapter 4, he relied on public support of his self-coup to legitimize it. Thus, Fujimori could use plebiscites and referenda to approve his reforms, since the public would stand by their 'savior' (Weyland, cited in Barr 2003: 1168). This thus turned into a 'vicious cycle of legitimization', in which Fujimori could use his popularity to 'legalize' actions that centered power in his hands. and this control over the budget meant that he was largely free in expanding his social policy when he considered it necessary, which in turn further increased his popularity levels (Barr 2003: 1173).

Toledo was not able to take advantage of this 'vicious circle of legitimization' because he did not enjoy sufficient levels of public support to begin with. While Toledo took office with satisfactory popularity levels, they quickly fell largely thanks to the negative press coverage of his life. Furthermore, the constant gridlocks in congress that frequently resulted from quarrels within PP representatives halted the approval of reforms, which further increased the regime's unpopularity. Finally, even Fujimori – with his involvement in corruption and human rights

violations well known – had a higher approval rating than Toledo in 2003 - 21.6% vs. 16.1% (Barr 2003: 1168)³².

5.2 An Uneven Playing Field

While Fujimori started with more public support than Toledo, Fujimori also had many opportunities to prove to the masses that he was their ‘savior’, and he used them well. Toledo, on the other hand, lacked these opportunities and also faced an international community that would reject another democratic façade from Peru. He was hence unable to engage in the populist aim of concentrating power in his hands, and consequently could not enact popular policies without ‘compromising’ with the opposition first.

There were many factors that allowed or impeded each leader to express certain populist elements, which contributed to the difference in their public legitimacy levels. This section will look at the role of the situation in the country at the time Fujimori and Toledo rose to power, public weariness with neoliberalism, the international community, and Peru’s ‘civic culture’ in facilitating or hindering the implementation of a populist tactic in each of the regimes.

5.2.1 The presence/absence of a crisis

Fujimori came to power in the midst of hyperinflation and civil war, which gave him at least two big crises to ‘save’ the country from. Luckily for him and for the country, he was able to stop both hyperinflation and SL. This success established his status as ‘savior of the masses’ and ‘gave him the right’ to increase his power. Fujimori was thus well on his way towards establishing a populist regime since the very beginnings.

Toledo, on the other hand, lacked an acute problem to potentially solve, and thus lacked the opportunity to gain the high public support that neopopulists rely on (Barr 2003: 1170). The Paniagua administration punished the politicians involved in the corruption web of the Fujimori regime, captured Montesinos and restored democracy, leaving the Toledo regime with ‘the unglamorous...work of cleaning up the political system’ (Barr 2003: 1171). And this work does not provide with many opportunities to ‘save’ the country. Hence, even though the Toledo regime left Peru with a robust economy³³, this did not lead to an increase in the regime’s popularity.

5.2.2 Public weariness with neoliberalism

Fujimori was the first president in Peru who followed the Washington Consensus model, which allowed him to promise citizens that their sacrifices would be rewarded. But, when the polls revealed dissatisfaction from the public, Fujimori was quick to expand his social programs budget³⁴. But by the time that Toledo took office, most Peruvians did not want to experiment with neoliberalism anymore.

³² See annex 1 on the public support of both regimes.

³³ See annex 2 on the economic and social performance of the regimes.

³⁴ See annex 3 on the effects of Fujimori’s clientelism in ‘appeasing’ neoliberalism.

Arguably a 'true' neoliberal, Toledo tried to finish the neoliberal project Fujimori had started. His populist discourse appealed to the poor *and* advocated for neoliberal policies. Yet, after 10 years of neoliberal policies, the citizenry was no longer willing to bear for the costs of a set of policies that they saw as benefiting only the elites. As the two IMF observers pointed out:

'Despite steady implementation of stabilization and structural reform policies...over the last ten years, the most vulnerable segments of society still do not see a substantial improvement in their living standards...The economic model [is] under scrutiny, pointing to the importance of preserv[ing] public support for a market-oriented economy' (Hendrick, O and Zoccali, G, cited in Barr 2003: 1173)

The above view reflect the global shift away from the WC and towards the Post Washington Consensus, which gives the state a bigger role in protecting those affected by neoliberal reforms. But Toledo's regime was still practicing the WC, and thus failed to give Peruvians the support they needed to cope with neoliberal reforms after Fujimori's rule.

Consequently, Toledo's neoliberal measures were quite unpopular. For example, he faced massive protests after selling two state-owned electricity-generating companies to foreign investors – which he explicitly promised not to do in his campaign. Peruvians did not see the President's enthusiasm for privatization as going against the established structure of power, but rather as supporting it, thus benefiting the elites. Hence, Toledo's populist discourse became meaningless, and 'the masses' eventually stopped viewing Toledo as a leader who would 'bring politics back to the people'.

5.2.3 Role of international community

In spite of clearly expressing authoritarian traits, the Fujimori regime never faced severe punishment from the international community, such as economic sanctions or direct intervention. Toledo's regime was constantly praised by Washington, but due to the changing democracy-promotion policies, international aid was increasingly going towards civil society organizations and less towards state institutions.

Fujimori's disregard for democratic institutions was sometimes criticized by the international community. Yet the initiatives of the international community to set the country back on the path of democratization were based on 'limited and formalistic version of liberal democracy', following the WC model (Grugel 1999: 20). Hence, the 'punishment' for the wrongdoings of Fujimori's regime was never too harsh, since the international community was satisfied with a rather superficial restoration of democracy. For example, the 'punishment' after the 1992 self-coup consisted mainly of diplomacy, international isolation, and the cut of aid; which were ended after the announcement of the referendum and the new Congress elections³⁵. This restored only an electoral democracy, failing to meet the requirements of a polyarchy.

The Fujimori regime appeased the international community because the success of neoliberal economic policies required friendly relations with the world. Consequently, an 'unwilling

³⁵ Hence, just two years after the self-coup scandal, Fujimori was praised by the international community; he appeared on the cover of Latin Finance and International Time Magazine as "Man of the Year." (Kay 1996: 64)

institutionalization’- the preservation of inefficient democratic institutions as a requirement for international legitimacy – was carried out (Basombrio 2000: 274). Hence, the international community indirectly contributed to the construction of a democratic façade that Fujimori would use for legitimacy purposes.

The international community also intervened in the 2000 elections, concerned for fraud. Along with the local observer organization, Transparency, foreign missions aimed to make the process free and fair (Balbi and Palmer 2001: 66). But once the obviously-tampered results started coming out, the international community replied with diplomatic pressure. Nevertheless, the Peruvian government refused to use a transparency program proposed by the OAS, thus indirectly refusing to make the elections fair. Foreign missions withdrew from Peru, and Fujimori was allowed to win the presidency. (Balbi and Palmer 2001: 67). This not only reflects a lack of ‘firm hand’ from the international community towards the Fujimori regime, but also an obsession with a limited, minimal form of democracy that could not address the complex issues behind Fujimori’s second re-election. Further, as Grugel (1999) warns, this view of democracy can lead to a dangerous combination of weak but legitimate democratic institutions. And, as this study has shown, this provides an ideal scenario for populists to emerge and construct a ‘hybrid’ regime, setting the country back in the democratization process.

Nevertheless, the international community was aware that Fujimori’s regime had a tendency for authoritarianism; and hence they shifted democracy-promotion aid towards civil society and away from government institutions. For example, USAID started programs with NGOs working in human rights advocacy, promoting citizens participation in public life (Basombrio 2000: 276). Thus, by encouraging the activism of Peruvian civil society, NGOs funded by the international community are building the social citizenship required to demand the rights that citizens are entitled to (Grugel 1999: 10).

Partly because of the efforts from the international community to empower civil society, and partly thanks to the end of the repression of the Fujimori regime, civil society was in a healthier shape by 2001. Hence, Toledo faced a citizenry that was increasingly willing to mobilize and voice its demand, which meant that he faced additional difficulties ‘in establishing personalistic governance and in building [the] mass support’ (Barr 2003: 1168) that is so vital for populists³⁶.

5.2.4 Role of the Fujimory Legacy

The ten years of the Fujimori regime and its dramatic fall exhausted the appeal of the neopopulist model in Peru, at least temporarily. With the huge corruption networks and human rights violations of the Fujimori regime exposed, Peruvians learned the importance behind democracy’s separation of powers. Thus, in 2001, with the economic relatively stable and the terrorist threat of the early 1990s reduced to conflicts in some remote areas, Peruvians were unlikely to grant to the next president the power that Fujimori was allowed to accumulate.

Hence, Toledo found himself in the nightmare of any neopopulist. Once elected, he had to fulfill his campaign promise to undo the institutional reforms done by the Fujimori administration that had managed to make the executive so powerful. In other words, Toledo could either ‘maintain

³⁶ Examples include the rise of workers’ unions and of the *cocaleros* movement (Barr 2003: 1168).

the institutional arrangements to facilitate his neopopulist strategy but alienate the public as a result, or correct the perceived institutional flaws and undermine his ability to govern in a personalistic manner' (Barr 2003: 1174). Time showed that he chose the second path, which also happened to be the healthier choice for democracy.

Consequently, while both regimes had populist elements, only Fujimori gained enough power to be able to govern in a delegative manner. Fujimori had full discretion over state resources, which he could then use for clientelistic purposes, thus giving 'the masses' the perception that Fujimori was to thank for the social programs of the government. And his tactic worked very well³⁷. But Toledo, who worked within the confinements of democracy's rules, could not engage in this clientelism, which contributed to his unpopularity.

Thus, popularity did not just come to Fujimori. He achieved it through a deepening alliance between the executive and the military, the creation of paternalistic programs linked to the executive, and the recentralization of authority. Toledo, on the other hand, started to disperse power from the executive branch all the way to the local government since the beginning of his regime. Hence, his possibilities to engage in clientelistic practices with the masses were limited.

5.2.5 Peru's 'Civic Culture'

This analysis has shown that Fujimori's ten-year rule was possible partly because Peruvians were willing to tolerate the erosion of democracy by a president who would stop the hyperinflation and terrorism. Hence, citizens rewarded Fujimori with high popularity levels, and punished Toledo, who gave up personal power in order to safeguard democracy. Peruvians fell prey to Fujimori's populism claims of bringing politics back to the people (Fieschi 2004: 239), and Fujimori's speeches reassured them that he would listen to their demands.

This suggests that Peruvians' primary concern is not whether a regime meets the minimum requirements for a polyarchy or not, but rather that they meet the demands of the citizenry, even if this is done in a clientelistic manner. A UNDP report on a survey where Peruvians expressed a preference for authoritarian governments³⁸ supports the latter statement. The report mentions that there is nothing new of this preference for authoritarian governments in Peru, since when the transition to democracy started in the 1980s and the memories of military dictatorship were fresh, opinion polls pointed to nostalgia for authoritarian governments. And the appeal of authoritarian governments increased due to the political violence of the 1980s, economic problems, and corruption within the government (Oxford Analytica 2006: 2). Hence, the Peruvian case provides evidence that contradicts O'Donnell and Schmitter's (1986) theory that successful authoritarian regimes will not be well remembered, or that the public will not support their return. Thus, the disapproval of Toledo's compromising government was also the result of a public that had nostalgia for the 'successful' authoritarian regimes of Peru – those of Fujimori, Velasco, and Leguia.

³⁷ See the map on annex 3, which outlines the effects of Fujimori's clientelism on different regions of Peru.

³⁸ See annex 4.

Hence, is it arguable that Peru has not developed the ‘civic culture’ that is necessary if the democratization process is to be successful. Further, as Carrion and Seligson (2002) have argued, even if democratic values were strong in Peru, they are unlikely to save democracy from a crisis in the Peruvian context. Peruvians have sound reasons to be skeptical of democracy. After all, even the most ‘tolerant and compromising’ people would not put up with the corruption of, for example, the Garcia administration, no matter how ‘democratic’ the regime is. Therefore, he biggest failure of Toledo was not his partying habits or his numerous ‘photo ops’, but doing little to restore the public’s faith in the efficacy of the political class (Oxford Analytica 2006: 3), which could have been a seed for the development of a culture that supports democracy.

5.3 Conclusion

This chapter set off to determine the reasons behind our paradox – why has a regime with clear authoritarian traits received more public support than a democratic one. It analyzed the role of crises, public weariness with neoliberalism, the international community, the Fujimori legacy, Peruvian civic culture, and of popularity itself on generating more public support.

While all these factors played a role increasing/hindering the public legitimacy of the regime, the Fujimori-Toledo popularity paradox was made possible thanks to the relationship of all these factors with the discourse of populism. In other words, just looking at one of these factors cannot explain the paradox.

Fujimori achieved high level of popularity thanks to the power obtained from a deepening alliance the executive and the military that allowed him to manipulate institutions, the creation of paternalistic programs linked to the executive, and the recentralization of authority. Toledo, on the other hand, had to hand over power from the executive to the other branches of the government thanks to the Fujimori legacy. Hence, he did not have the power to approve ‘popular’ reforms.

Importantly, the regimes’ popularity was largely influenced by the context. Therefore, the theories outlined on chapter 2 are applicable only to the extent that the context allows. Fujimori faced a tolerant international community and a desperate public willing to experiment with WC policies; which made it much easier to establish the delegative and competitive authoritarian regimes that facilitated his success as a populist. Toledo, on other hand, faced an international community that was pushing Peru’s democratization and a stronger citizenry that did not support neoliberalism anymore. Arguably, then, his neopopulist tactic was destined to fail.

CHAPTER 6

CONCLUSIONS

This research aimed to identify the reasons behind the divergent public legitimacy levels of the neopopulist regimes of Fujimori and Toledo. In achieving this aim, it has determined the extent to which both regimes can be characterized as neopopulist, as a democracy, as an autocracy, or anything in between. It has thus applied numerous key theories on populism and democracy to two different regimes that scholars have tended to characterize as populists. At the same time, this research has highlighted the limitations of these theories in doing so.

One of this study's contributions is the interest to challenge already established 'truths' in democratization analyses on Fujimori and Toledo's regimes. More specifically, this study could have mistakenly been discarded under the assumption that Fujimori was more popular than Toledo because his government was more successful in reducing poverty. But the data shows that this was not the case. Hence, this study has shown that it is important to test assumptions, no matter how 'obvious' they might be.

This study has also shown that populism does have a malleable nature. This paper has characterized the Fujimori regime as a delegative democracy at first, competitive authoritarian in the middle, and authoritarian in its latter years. But Fujimori's actions never stopped having populist elements. Likewise, Toledo's regime has been characterized as a polyarchy, but he also expressed populist elements, even if with less success than Fujimori.

The reasons behind the divergent public legitimacy levels of the two populists were found to be relevant to the nature of the regimes, the populist tactics of each leader, and to the particular circumstances each of them faced. While Fujimori arguably had more personal charisma than Toledo, he also rose to power in a favorable time for a neopopulist. He 'played the system' very well, and was able to both concentrate power in his hands and retain high popularity levels, in spite of his authoritarian practices. Toledo, on the other hand, faced a bleak scenario for any neopopulist – he faced a citizenry that was tired of bearing the costs of neoliberal reforms, faced domestic and international pressure to continue the democratization process started by Paniagua, and as the country's first indigenous president, he had high expectations to meet. He decided to give away the executive power that Fujimori had enjoyed, but he was 'rewarded' with unpopularity. Thus, many factors were working together for/against each president.

Arguably, the most important finding of this research is that a 'vicious cycle of legitimization' allowed Fujimori to 'get away' with increasingly more authoritarian measures. He used his popularity to legitimize his 1992 self-coup, which further increased the executive's power. He could then engage in more clientelistic behavior, which would further increase his popularity. Thus, as long as Fujimori kept his image as a 'savior of the masses' intact, he could keep on benefiting from this cycle. This was brought to an end with the airing of the *Vladivideos*. Toledo could never benefit from this 'vicious cycle of legitimization', since he never had popularity level high enough to rely on public support after, for example, shutting down the Congress.

In addition, it was harder for Toledo to be a successful neopopulist because he played by the rules of the democratic game. Unlike Fujimori, he respected democratic institutions, and thus succumbed to the compromise inherent in democracy. Had Fujimori done the same, it is questionable whether he would have been able to approve some of the policies that allowed him to be such a successful neopopulist. Thus, the divergent popularity levels of two former presidents are not just the result of different personal skills or 'charisma', but also of an uneven playing field.

Finally, this study has revealed a concerning fact - democracy does not seem to be among one of the goods Peruvians highly value. This brings us back to a question poised at the beginning of this essay. Could it be that Leftwich (2002) was right when arguing that democracies are a conservative system of power, and that the urgent transformative initiatives required for development makes non-consensual steps inevitable? The success of Fujimori in legitimizing his regime seems to suggest so, since the concentration of power in the executive allowed him to avoid the compromises that are inevitable in a democracy. But Toledo was successful in the development front as well³⁹. He probably could have done more if he had followed a Fujimori-style of governing, but that would have also given him the power to engage in corrupt practices without being held accountable. Thus, this study supports the argument that Peru needs the strong checks and balances that are provided by strong democratic institutions. Otherwise, as history has shown, leaders will abuse their power.

This study has also identified areas where further research is needed. While the case of the Toledo regime provided evidence that neopopulists do not necessarily rise in the middle of a crisis, it remains to be seen whether these neopopulists can achieve high level of public support. Also, the relationship between Peru's 'civic culture' and support for authoritarian regimes needs to be further researched. Unfortunately, there are little studies on the 'civic culture' because it is a structural factor, and the literature focuses on agency factors affecting democratization partly because agency is easier to change than structure. Nevertheless, it would be important to determine whether the support for Fujimori's and for other authoritarian regimes is a result of societal structure, or of the rational choice of individuals, who would support an authoritarian leader that provides material benefits. The findings of such a study would be very useful for democracy promotion policies in Peru and Latin America.

³⁹ See annex on economic growth and poverty levels.

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8. ANNEXES

Annex No. 1 Public Perception of the Fujimori and Toledo Regimes

In a survey carried out in 2007 to determine public support for Fujimori once the corruption and violation of Human Rights of his regime were known, 54% of those interviewed stated that Fujimori was not to blame for the human rights violation of Barrios Altos and la Cantuta by the Fujimori regime, arguing that the country was in civil war, Fujimori was not directly responsible but should not have covered those guilty, or that Fujimori had nothing to do with the massacres.

7. ¿Cuál es su opinión hasta el momento sobre la participación de Alberto Fujimori en los crímenes de Barrios Altos y la Cantuta? (Con tarjeta) %

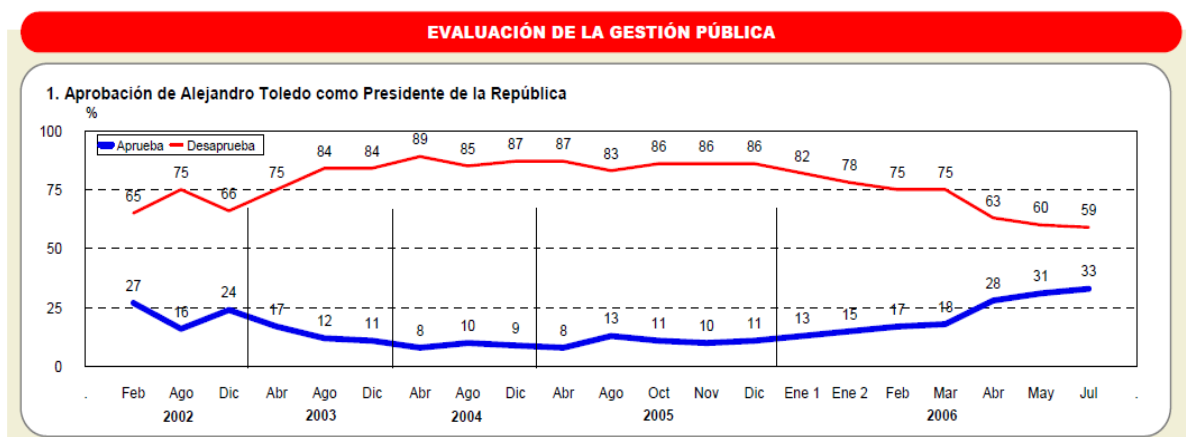
	Total	Lima	Interior
Fujimori ordenó los asesinatos y debe ser condenado a muchos años de prisión por eso	38	43	34
Fujimori ordenó las ejecuciones pero no debe ser condenado porque el país se encontraba en guerra contra el terrorismo	23	19	28
Fujimori se enteró de los crímenes después que ocurrieron pero es responsable de haber encubierto a sus autores	22	21	21
Fujimori es completamente inocente. No tuvo nada que ver con esos hechos	9	8	10
No precisa	8	9	7

Base: Total de entrevistados que han visto o escuchado algo del inicio del juicio a Alberto Fujimori (843)

Source: Opinion Data December 2007⁴⁰.

⁴⁰ Available at: <http://www.ipsos-apoyo.com.pe/html/opinion-data-ipsos-apoyo.php>. Accessed September 4, 2008.

Public opinion on Toledo's regime has been unstable. As is clear from the graph below, he started his regime with a solid 59% of public support, but this was drastically reduced over the next years. Throughout 2004, 90% of the interviewed did not approve him as the country's president. But, as his regime was coming to an end, his popularity suddenly rose, and he left office with a 33% approval rate and a still high 59% disapproval rate. The disapproval rate was highest in the rural areas, with 62% of those interviewed outside of Lima disapproving the regime's performance



Source: Opinion Data July 2006⁴¹.

The survey also showed that the public largely disapproved of the Congress and the Judiciary of the Toledo regime, with 82% and 79% disapproval rates respectively (Opinion data July 2006: 2). This suggests that the public was aware of the gridlocks taking place within democratic institutions that was halting reforms. Of course, inefficient institutions would negatively impact the legitimacy of the regime as a whole. Further, the inefficient Congress and Judiciary of the Toledo regime could easily be contrasted by the public with the ones from the Fujimori era, which were staffed with government supporters and hence approved reforms easily⁴².

⁴¹ Available at <http://www.ipsos-apoyo.com.pe/html/opinion-data-ipsos-apoyo.php> accessed on September 4th 2008.

⁴² Source: IBID

This survey also asked the public's opinion on whether issues important to Peruvians had improved, worsened, or remained the same. A translation is provided below (answers given in percentages):

With the end of Toledo's government, do you think that has improved, is the same, or has worsened?

Issue	Has improved	Is the same	Has worsened	No Answer
Control of terrorism	33	48	16	3
Freedom of Speech	32	52	14	2
Future expectations	23	49	16	12
Respect for Human Rights	22	55	19	4
Control of drug trafficking	18	50	28	4
Decentralization	17	56	19	8
Job generation	17	50	32	1
Public education	14	48	36	2
Separation of powers	12	56	23	9
Quality of life	12	56	30	2
Public health	11	47	41	1
Poverty reduction	11	41	47	1
Reduction of corruption	9	40	50	1
Reduction of crimes	6	25	69	0
Performance of the judiciary	5	44	46	5

Source: IBID

The above answers reveal that a significant 47% believed that poverty reduction had worsened during the Toledo regime, but a 56% expressed that quality of life remained the same. A strong 41% believed that public health had deteriorated, along with 36% who thought the same for public education and 32% for job generation. Thus, these figures suggest nostalgia for the clientelistic social programs of the Fujimori regime.

The report also stated that 50% of the interviewed think that, overall, Peru is doing the same, 26% think it has improved and 23% think it has worsened.

Also important is 52% believed that freedom of speech remained the same, 55% also said human rights protection had remained the same, and 56% also thought that the independence of the congress and judiciary remained the same. This suggests that the Peruvian citizenry was not giving the Toledo regime enough credit for respecting democratic institutions, even when that meant giving away power that Toledo could have used to pursue the same clientelistic social programs that made Fujimori so popular. The fact that only 17% of the interviewed think that the respect for democracy is one of the most positive aspects of Toledo's regimes backs up the latter statement (IBID: 3) Alternatively, it is also a consequence of the 'Paniagua phenomenon'. It could be that Peruvians were comparing Toledo's respect for democratic values to the standards established by interim president Paniagua, but given the short duration of his government,

improved public health or education were not the main concerns of the Paniagua government, but setting the country back on the path to democracy was.

It would this be interesting to see the results of a similar survey asking respondents to compare the Fujimori with the Toledo regime in these same areas, as well as to indicate which issues they value more. This would give a more insight on whether Peruvians are indeed willing to sacrifice democracy for an improved quality of life.

The next section on the evaluation of Toledo's regime has that shows the significant effect of the 'soap-operatization' of Toledo's regime. 62% of the interviewed thought that the most negative aspect of Toledo's government was the scandals of his family. Finally, 62% of the interviewed stated they would not vote for Toledo if he ran for presidency again (IBID: 3). Nevertheless, a similar nation-wide survey from 2005 reported that 33.2% of respondents thought that the most negative aspect of Toledo's government was not to fulfill his campaign promises⁴³.

⁴³ Source: CPI. Available at: http://www.transparencia.org.pe/documentos/22_28_octubre.pdf. Accessed on September 4th 2008.

Annex No. 2

The Economic and Social Performance of the Regimes in Numbers

The numbers below will provide evidence that the public's perception on the performance of the Fujimori and Toledo administration was incorrect. The table below shows that the economy was doing much better under Toledo than under Fujimori, both in absolute (GDP) and in relative (per capita) terms. When Toledo left the Presidency in 2006, he left Peru in a very good economic health, as can be seen from the numbers below.

Year	GDP Growth (annual %)	GNI per Capita, PPP
1989	-12	2880
1990	-5	3140
1992	0	3240
1994	13	3810
1996	3	4310
1998	-1	4630
2000	3	4830
2002	5	5170
2004	5	5640
2006	8	6490

Source: The World Bank Group World Development Indicators⁴⁴.

The next table shows that the successful poverty reduction took place throughout the Toledo regime. While the Fujimori regime did reduce some poverty, the long-term effect of the harsh neoliberal reforms is evident from the 18.07% of the population that lived under the poverty line in the year 2000. Nevertheless, it is worth noting that the Gini coefficient increased throughout Toledo's regime, which may indicate that economic growth was wealth benefiting only a few.

Year	% Population below \$1/day poverty line	Gini Coefficient
1985.5	1.14	45.72
1990	1.35	43.87
1994	9.4	44.87
1996	8.88	46.24
2000	18.07	49.82
2001	15.51	53.01
2002	12.89	54.65
2003	10.53	52.03

Source: The World Bank Group PovcalNet⁴⁵

⁴⁴ Available at:

<http://web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/0,,contentMDK:20535285~menuPK:1192694~pagePK:64133150~piPK:64133175~theSitePK:239419,00.html> Accessed September 7th 2008.

The last table shows that HDI in Peru has been growing in the last 20 years. This growth seems to be stable, and thus an improvement in the overall quality of life of Peruvians cannot be attributed to any of the regimes.

Year	HDI
1985	0.699
1990	0.710
1995	0.737
2000	0.763
2005	0.773

Source: Human Development Reports (UNDP) Statistics⁴⁶

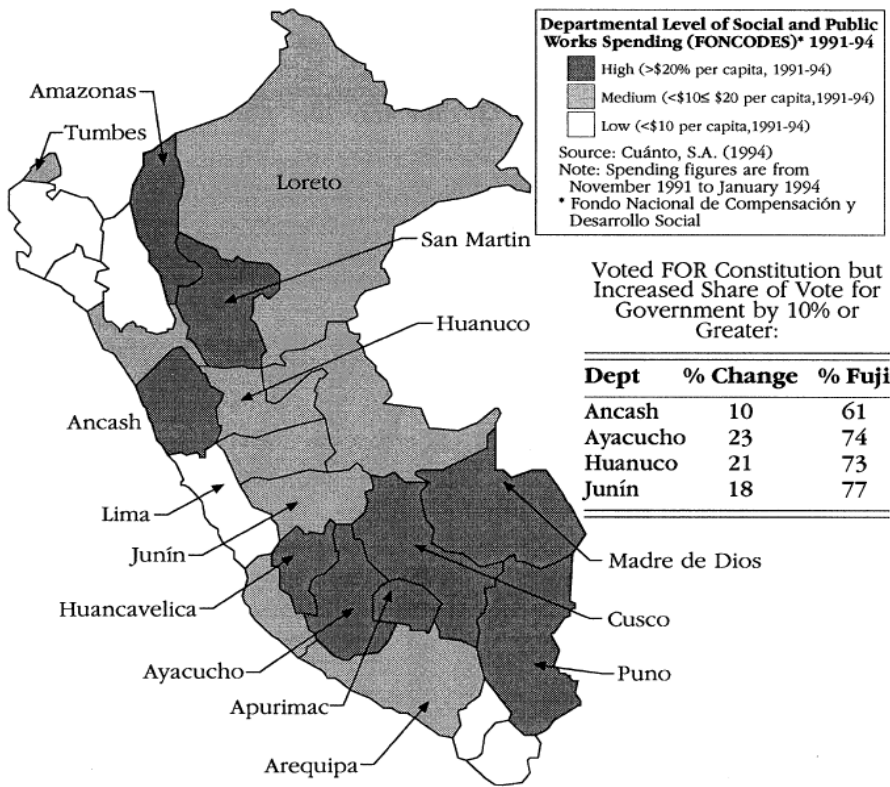
⁴⁵ Available at: <http://web.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTRESEARCH/EXTPROGRAMS/EXTPOVRES/EXTPOVCALNET/0,,menuPK:5280448~pagePK:64168427~piPK:64168435~theSitePK:5280443,00.html>. Accessed on September 7, 2008

⁴⁶ Available at: <http://hdr.undp.org/en/statistics/>. Accessed on September 7, 2008.

Annex No. 3 The results of Fujimori's Clientelism

As the map below shows, the presidents' clientelistic measures and his campaigning in the Andes, the central jungle, and the *pueblos jóvenes* of Lima prior to the 1995 presidential elections paid off. For example, in Puno, the presidents' clientelism and campaigning resulted in an additional 47% of the population in his favor, thus gaining 67% of Puno's votes in the 1995 elections (Kay 1996: 87).

**Distribution of Public Works and Social Assistance (FONCODES)
1992-1994 and Comparative Vote for Government: 1993 "Yes"
Vote in Referendum and % Fujimori 1995**



Dept	Referendum Yes %	Fujimori % Vote	Difference
Amazonas	42	65	23%
Apurímac	42	69	27%
Cajamarca	49	70	21%
Cusco	38	61	23%
Huancavelica	43	64	21%
Loreto	41	54	13%
Moquegua	41	74	33%
Madre de Dios	50	62	12%
Puno	20	67	47%
Tacna	45	67	22%
Tumbes	45	67	22%

Source: Tuesta Soldevilla (1994), JNE 1995, cited in Kay (1996: 88)

Annex 4

Peru's Democratic Values

A survey carried out by the UNDP in Lima revealed concerning results on the public's perceptions on democracy. The most important findings are provided below:

- A large proportion of the population (almost 35.0%) said they had no idea what democracy means. Over one-quarter of the population (26.5%) said they knew what democracy was, but had little interest in it.
- The preference for authoritarian government is notable. About 13% responded that they thought an authoritarian government preferable. Another 13% said they were indifferent about democracy. Only 18% considered that they live in a democracy.
- The public expressed a particularly negative view of political parties. Almost 70% of those who can identify the country's major national parties have no sympathy for them. The level of sympathy is even lower for those with knowledge of how parties work locally, which is very concerning for the future of a democracy with checks and balances.
- Although the overall evaluation of the government was negative, the legislature and the judiciary were the most negative state institutions. Only 3.6% of those asked thought the judiciary worked "well" or "very well", while 3.0% considered this true of Congress.
- There is a strong culture of physical punishment for wrongdoing in the country, especially in poorer and rural households. Nearly 70% of the population believes child molesters should be executed. Nearly 30% (mainly young males) think that violence is justified to establish authority.
- Levels of participation are fairly low -- whether in the community, church groups, sporting associations or labor unions. The church is the most important point of affiliation.
- Attitudes towards the elites were usually extremely negative, while towards the poor condescending. More than two-thirds believe that the rich are "exploitative".
- Expectations are low of upward social mobility, especially among the poor. More than 60% said they would emigrate if they had the opportunity.

Source: Peru: Democratic Values are Scarce (2006) UNDP. Retrieved on August 8th from http://www.pnud.org.pe/PDFs/NPE/20060327_OxfordAnalytica.pdf.