Constructing DEMOCRATIC Governance

Latin America and the Caribbean in the 1990s— Themes and Issues

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Conservative Party Politics in Latin America: Patterns of Electoral Mobilization in the 1980s and 1990s

Edward L. Gibson

In the 1980s a new and unexpected phenomenon swept much of Latin America: conservative electoral activism. This was a development that few could have predicted from past historical experience, especially in countries that had recently emerged from authoritarian rule. The expectation of most observers had been conservative electoral estrangement rather than activism. The literature on democratization thus tended to address the likely political action of the Right as a potential problem of democratization, particularly where powerful socioeconomic and political actors, incapable of effectively organizing themselves for the electoral struggle, might exercise the many options for "exit" available to them in nondemocratic realms. As such, the Right was seen as a force to be "pacified" or "neutralized" while democratic agendas became consolidated. This view was nicely captured in a quote from one of the most influential scholarly texts on democratization in the early 1980s:

> Put in a nutshell, parties of the Right-Center and Right must be "helped" to do well, and parties of the Left-Center and Left should not win by an overwhelming majority. . . . The problem is especially acute for those partisan forces representing the interests of propertied classes, privileged professionals, and entrenched institutions. . . . Unless their party or parties can muster enough votes to stay in the game, they are likely to desert the electoral process in favor of antidemocratic conspiracy and destabilization.[1]

The worst fears of these political observers were not borne out by events. In fact, the view of conservatism as an estranged or at best passive player in electoral politics was contradicted by events. In the 1980s the Right did well in the electoral game without much "help." It won power outright through the electoral process in Brazil, Uruguay, Ecuador, and El Salvador. It also had a major impact on the political process, shaping the terms of the political debate as well as the

policymaking process, in Peru, Mexico, Chile, and Argentina. Furthermore, toward the end of the crisis-ridden 1980s, conservative leaders and their core constituencies emerged as major coalition partners of governments embarked upon free market reforms, even in countries where they had lost the elections to populist or nonconservative governments. Democracy in the 1980s, therefore, revealed surprising capacities for conservative electoral mobilization. However, what is striking about this experience is that, just as this mobilization was effective, it also appears to have been institutionally ephemeral in a number of important cases. New coalitions between the state, conservative political leaders, and business groups have now emerged on the scene. In the process, the conservative party institutions that gained visibility in the 1980s have receded from view in the seemingly more governable democratic politics of the 1990s.

The experience of the previous decade of democratic politics thus raises a number of key questions: what conditions facilitate the emergence of conservative parties in the region?[2] To what extent has the conservative electoral mobilization of the 1980s led to the institutionalization of participation by socioeconomic elites in democratic politics? What might all this indicate about the future relationship between the political action of social elites and democratic governance?

Democracy and the Right: From "Lost Decade" Mobilizations to Governing Coalitions

In rough terms, the political evolution of the Latin American Right since the start of the democratization wave of the 1970s and 1980s can be divided into two phases. The first of these can be labeled the "lost decade" mobilizations, which saw the rise of new mass-based movements advocating free market economic reform.[3] This catapulted new parties onto the political stage and made the Right an important player in electoral politics. Party politics thus became a central arena for both advancing the agendas of conservative movements and expanding its leadership and constituent base. The second phase of the political evolution of Latin American conservatism might be labeled the "governing coalition" phase. While still in its infancy, a number of trends seem already to have emerged from this phase. The first of these is the forging of new governing coalitions between the state and socioeconomic elites that have provided vital social support for the market reform process and have stabilized the civilian governments carrying out these reforms. These reforms have been followed by new sociopolitical arrangements highly favorable to socioeconomic elites. If, as Ruth and David Collier suggest, state-labor relations served as a "coalitional fulcrum" during previous crucial phases of Latin American political development, then it can be argued that, in this period of regime restruc-

turing, the coalitional fulcrum has shifted from state-labor relations to state-business relations.[4]

In terms of the political evolution of conservatism, the effect of this phase has been ironic. It has resulted in highly favorable political and economic conditions for the core socioeconomic constituencies of conservatism. It has also resulted in the withering or outright collapse of conservative party organizations that had played such a prominent role during the "lost decade" mobilization in the 1980s.

These developments also render the relationship between governability and conservative political action somewhat ambiguous. In the short to medium term, they have provided important political stability to governments embarked upon wrenching economic reforms. Today economic elites support democratic governments and are pivotal coalitional partners. Democracy is thus more stable because it counts on the vital support of the propertied and socially powerful. In the long run, however, the withering of conservative parties and electoral movements raises questions about the future institutional capacity of elites to influence politics through democratic channels. Much of this depends on whether these coalitions will result in longer-term electoral alliances, or whether they prove to be another instance of the ephemeral marriages of convenience between populists and plutocrats that have long marked the region's checkered political history.

Democratic Stability and Conservative Parties in Latin America: The Historical Argument

Stable democracy in Latin America, as everywhere else, has historically been linked to the existence of strong national party systems. Strong national party systems have historically been linked to viable conservative parties. Logically, this should not be surprising. The importance of conservative parties to democratic stability lies in the pivotal social position of their constituencies and in the fact that they will be inevitable and important participants in the struggle for power. The organizational forms of their political participation will have major consequences for the relevance of different political institutions. If the organizational forms of upper-class power are weakly linked to political parties, regimes—or the major decision-making arenas of regimes—will be structured accordingly. Democracy in Latin America has endured where elites have possessed the institutional means to control it and where the challenges of mass politics could be regularly addressed through elite-controlled democratic institutions.

The argument here is not that conservative parties have made democracy "better" or more representative, only more stable. This proposition is supported by evidence from a growing number of comparative-historical studies of social conflict and political development in Latin America.[5] It is also supported by the data presented in Table 1, which compares two groups of countries with different historical legacies of conservative party organization. The first group is characterized by strong historical legacies of conservative party organization. National oligarchic competitive party systems were established in the nineteenth century, when political competition was restricted to the socially privileged. As a result, conservative party structures were in place to deal with the challenge of mass politics when the expansion of popular participation took place. In the second group of countries such legacies of oligarchic competitive parties were largely absent, and national conservative party organization during the advent of mass politics tended to be weak or fragmented. Taking the initiation of mass politics as the historical point of departure, we can see that the durability of democratic regimes during the twentieth century was affected by this "genetic legacy" of conservative party organization. Those countries where national conservative parties were in place during the expansion

Table 1 Conservative Parties and Democratic Rule in South and Central America: From the Advent of Mass Politics to 1990

	Competitive National Conservative Party(ies) Prior to Mass Politics?	Years of Democracy (restricted or full)	Years of Nondemocratic Rule	Ratio Years Democratic/ Years Nondemocratic
Chile	Yes	45	24	1.9
Colombia	Yes	45	9	5.0
Costa Rica	Yes	48	2	24.0
Uruguay	Yes	67	20	3.4
Average				8.6
Argentina	No	40	38	1.1
Brazil	No	24	36	0.7
Ecuador	No	25	40	0.6
Peru	No	30	30	1.0
Venezuela[a]	No	35	20	1.8
Bolivia	No	20	40	0.5
Mexico	No	8	62	0.1
El Salvador	No	6	53	0.1
Honduras	No	24	18	1.3
Nicaragua	No	0	54	0
Guatemala	No	14	45	0.3
Panama	No	15	35	0.4
Average				0.7

Source: Edward Gibson, *Class and Conservative Parties: Argentina in Comparative Perspective* (Baltimore: Johns Hopkins University Press, 1996).

[a]The Christian Democratic Party (COPEI) plays a crucial role as the founding conservative party in interparty agreements for democratic regime inaugurated in 1958. Thereafter, upper-class representation is gained in the two major parties, Acción Democrática and COPEI.

of participation tended to experience significantly longer periods of democratic rule than those countries where conservative party organization was weak.

The data in Table 1 indicate the importance of historical legacies of conservative party organization to the continuity of democratic institutions. Countries that had viable, competitive national conservative parties in place at the start of democratic politics exhibited far greater democratic stability during the twentieth century than countries that did not. The average ratio of years under democratic rule to years under authoritarian rule for the four countries with strong legacies of conservative party organization was almost 9 to 1. For countries with weaker legacies of national conservative party organization at the start of mass democracy, the average ratio was 0.7 to 1.[6]

The point to be stressed here is that, regardless of the multiple arenas available for the organization of elite interests, one of the massive facts of democratic development in Latin America has been its positive association with stable upper-class participation in party politics. For countries with legacies of authoritarianism and weak conservative party organization, the development of new conservative parties is thus a central issue in the study of democratization.

Latin American Conservatism and the Lost Decade Mobilizations

The question asked by much of the Latin American Left in the early 1980s as it faced transitions to democracy might well have been asked by Latin American conservatism: "why participate?"[7] In fact, democracy posed even thornier dilemmas for conservatives as they pondered their options during the return to democracy. In contrast to the Left, neither the leaders nor the core constituencies of conservatism had traditionally needed the protection of democratic institutions to prosper as political or economic actors. Their control over economic influence, and the privileged access they enjoyed to the institutions of state power, raised doubts about their need for democratic institutions as well as the advantages of devoting resources to the tasks of electoral mobilization.

Two factors played a role in changing the calculus of participation for conservative leaders. The first of these was the negative experience of authoritarian rule. The second was exclusion from state power during the early periods of democratic government.

The authoritarian experience that preceded the recent transitions to democracy in many countries raised doubts about the "certainty" of benefits from authoritarian rule for the leaders and constituencies of Latin American conservatism. One of the distinguishing features of this authoritarian period was that it produced important strains in the system of quid pro quos that governed conservative-authoritarian alliances in the past. Conservative political leaders had accepted control of the state by authoritarian powers in exchange for privileged access to its most important policymaking institutions, usually economic policymaking institutions. Similarly, business leaders abstained from autonomous political action in exchange for the benefits that discretionary state power under authoritarian rule could provide: the repression of competing claims from labor and a privileged position for business in channels of access to the state.

This is what snapped in the 1970s and 1980s. Conservative leaders and the upper classes learned a common lesson during this period: discretionary state power under authoritarian rule can be a double-edged sword. While an effective check against popular challenges, it had also proven to be a growing threat to the interests of political and economic elites. Argentina provides a telling case. The military had proved an uncontrollable partner, driven by its own agendas and internal conflicts. The effective implementation of policy under these conditions was problematic, to say the least. Business elites also often found channels to state policymakers closed. Ultimately, the military led the country to a reckless war against Argentina's historic trading partner and cultural referent. The subsequent collapse of the armed forces as a political actor also meant that it would not be available as a source of pressure against nonconservative governments.

Additional incentives for party building were provided by the fact that, during the government of the Radical president, Raúl Alfonsín, access to state power was completely closed off to conservative leaders. There would be no room in the top institutions of economic policymaking for the technocratic elite that had filled the leadership functions of the Argentine conservative movement. If influence was to be exercised over governmental decisions, it would have to be from without, through the mobilization of opinion and the construction of electoral coalitions.

This pattern of disenchantment with authoritarian rule and exclusion from state power also spurred conservative party building in other countries in the region. In Peru the leftist turn of the armed forces during the 1968–75 period of rule by General Velasco Alvarado introduced a major rupture in the conservative civil-military relationship. The country's first elected president after the transition, Fernando Belaúnde Terry, had himself been overthrown by the armed forces in 1968 and had based his comeback campaign in the founding elections of 1980 on a platform of opposition to the military regime.[8] The exclusion of conservatives from the 1985–90 APRA (American Popular Revolutionary Alliance) government of President Alan García, and the markedly populist cast of its economic policies, gave impetus to new strategies of conservative organization. During the late 1980s, party politics became a major arena for conservative political action in the country's chaotic

democratic regime. This was bolstered by the mobilization of business behind party politics in the late 1980s, as business elites turned to the electoral arena in opposition to a government that exhibited growing hostility to business interests.

For Mexican conservatives, embracing the agenda of the Partido Acción Nacional (PAN, National Action Party) for political democratization was vital to challenging the ruling party's monopoly over political decision making. It also became important to business elites made wary by government-sponsored antibusiness campaigns and an increasingly systematic use of discretionary state power against business interests during the 1970s and early 1980s. Electoral politics thus became a vehicle for political leaders and business elites alike for challenging the actions of an increasingly antagonistic state.

In all these cases, therefore, the impetus for conservative party building lay in a break in state-elite relations. Support for democracy was spurred by the new uncertainties associated with authoritarian rule and the hopes for more favorable contexts for state-elite relations under democratic governments.[9] Exclusion from state power by democratic governments after the transition from authoritarianism made party politics a much-needed vehicle for reasserting influence over state decision making.

In many countries these developments sparked the rise of new leadership within conservative movements. They opened the way for the emergence of a more diverse conservative political class that saw in the manifold ideological and organizational tasks of party politics a route to influence and political advancement. In Argentina a new conservative party, the Unión del Centro Democrático (UCEDE, Union of the Democratic Center), was founded in 1982 by liberal ex-technocrats closely linked to previous authoritarian governments. Within a few years the internal pluralization of the party sparked challenges to established leaders and set internal struggles in motion that transformed the UCEDE's power structure and its appeals to the electorate. The new leaders that flocked to conservative party politics gave it a new ideological content. They introduced new agendas and discourses that permitted the party to appeal to a broader cross-section of supporters. Their interest in gaining access to tightly controlled leadership structures also made them advocates for internal democratization, and increased the importance of *political* liberalism as an ideological banner for rallying their followers. In addition, and most important for the electoral Right's growth, they sought to challenge established leaders by building new bases of support outside their parties' traditional electorate through strategies of electoral popularization.

The combination of ideas, organization, and political practice that came to be known as *la nueva derecha* was thus an outgrowth of internal struggle. The transformation of Latin American conservatism was

not generally carried out by its established leaders. It was the synthesis of a clash between old and new, between traditional leaders and newly politicized activists contesting them for primacy.

In Mexico the PAN's protagonism in the democratization process attracted new activists and business elites into the party. Catholic *solidarista* currents that had dominated the PAN were displaced by *neo-panista* currents that gave the party's ideological orientation a far more liberal content.[10] They also expanded the party's prodemocracy platforms with new antistatist appeals and agendas of liberal economic reform.

The Peruvian electoral Right's transformation in the late 1980s was marked by struggle between the liberal activists and intellectuals that rallied behind Vargas Llosa's Movimiento Libertad and the veteran party leaders of the long-established Acción Popular and the Partido Popular Cristiano (PPC, Popular Christian Party). Libertad's activists were generally new to party politics. They brought new agendas of anti-statism and "popular liberalism" that clashed with the "social-Christian" doctrines of the PPC and with the paternalistic orientations of Belaúnde's Acción Popular. The new activists eventually came to shape Peruvian conservatism's appeals to the electorate in the late 1980s, but before reaching that stage they had to impose their agenda on a resistant conservative movement.

Business and the Lost Decade Mobilizations

Throughout the early 1980s, as *la nueva derecha*'s appeals gained ground in the electorate, a major question loomed over their prospects for growth: would they succeed in mobilizing the support of business for their free market, antistate, coalitions? Historical evidence gave them few reasons for optimism: generally, stable business-party ties have been weak in the region. Latin American business has remained an aloof ally in the electoral struggles of conservative parties. At election time conservative parties may do well among the upper social strata; as individuals, business executives may vote for such parties and contribute financial support to their campaigns. But the organizational expressions of Latin American business, such as trade associations, large companies, or even prominent business elites, have rarely identified themselves with electoral politics. The political action of Latin American business has been focused directly on the state either through firm-state contacts or corporatist institutions.

The most important reason for this lies in the historical evolution of Latin American business, particularly the region's industrial sectors. Business development has taken place largely under the protection and tutelage of the state. State dependence has strongly conditioned business patterns of collective action and has made business elites wary of

identification with partisan political action. In Argentina this wariness persisted throughout the 1980s, in spite of efforts by conservative parties to enlist business support. Despite the severity of the economic crisis, the Radical government of Raúl Alfonsín carefully maintained working relations with the business community. Continued business access to policymaking institutions hindered conservative efforts to mobilize active business support for its antistate agendas of economic reform.

In other countries, however, this pattern was broken. Three democratizing countries—Peru, Mexico, and El Salvador—experienced significant business electoral mobilization during the 1980s. In each of these cases the cause of that mobilization was a break in relations between business and the state. In addition, this mobilization helped to make conservative parties national electoral contenders. It catapulted Peru's new Frente Democrático (FREDEMO, Democratic Front) coalition and Mexico's PAN to the fore of national politics. It also led to the capture of national power by El Salvador's Alianza Republicana Nacionalista (ARENA, Nationalist Republican Alliance).

Long-standing ties between the state and the business community deteriorated progressively in each of these countries in the years preceding the late 1980s business mobilization. In Peru, relations between APRA president Alan García and the business community, initially cordial when García came to power in 1985, became marked by open hostility. The government intensified its populist policies, and business groups became increasingly reluctant participants in the government's plans for industrial development.[11]

In Mexico the business community had historically acted as a "stealth actor" in the nation's politics. It abstained from open political activity in exchange for informal but regular access to policymaking elites within the state, and to the rent-seeking opportunities that such access could provide. This arrangement came under strain during the 1970–76 administration of President Luis Echeverría, whose populist orientation and antibusiness rhetoric marked a change from the previously collaborative stance of earlier governments toward business. These business-state tensions continued into the 1976–82 government of President López Portillo. By the late 1970s and early 1980s, business took to increasingly open forms of political mobilization through interest associations and support for the growing party of opposition, the Partido Acción Nacional.[12]

In El Salvador, previously close ties between the state and business were broken by the reformist turn of the state after 1982 and the advent of the reformist Christian Democratic government of Napoleón Duarte in 1984. In an effort to consolidate popular support, and to counter the growing support of leftist opposition, the Christian Democratic government initiated socioeconomic reforms that, while imperfectly implemented, put business and agricultural elites on the defensive. Under siege by a powerful leftist movement demanding radical change, and excluded from a government committed to social reform, economic elites embarked upon major organizational and ideological mobilization. Business leaders also began to flow toward a party linked to agrarian elites and controlled by paramilitary groups, the Alianza Republicana Nacionalista.

The spark that crystallized the business-conservative party alliance in all these countries was the attempted nationalization of the banking system by the reformist governments, which took place in Mexico and El Salvador in the early 1980s and in Peru in 1987. Activated business elites found willing allies in the once-distant pro-free market politicians that were transforming the conservative party landscape. The party leadership's antistate agendas, once in tension with the business community, now became an effective ideological vehicle for challenging the dangers of discretionary state power. They also provided the ideological glue for linking business concerns to a more diverse set of democratization and economic growth issues capable of generating multiclass support.

The electoral mobilization of business galvanized conservative party politics. The open support of the Peruvian business community for the electoral challenge mounted by Mario Vargas Llosa's Movimiento Libertad endowed the movement with resources and credibility that allowed it to assert its hegemony over other parties in the conservative movement and emerge as a major contender in the 1989 presidential elections.[13] In Mexico, the defection to the PAN by important national business interests after the 1982 nationalizations solidified *neo-panista* control over the party and gave major credibility to the party's pro-democracy and pro-free market challenge against the governing party. During the 1980s the PAN became a serious electoral contender in a number of regional elections and, for the first time in its history, presented a credible national challenge to the governing PRI (Institutional Revolutionary Party) in the 1989 electoral campaign.[14] In El Salvador the mobilization of business behind ARENA produced an important leadership change in the party, as Alfredo Cristiani, a figure linked to agricultural and business interests, displaced the party's paramilitary leader, Roberto D'Abuisson. After a series of ARENA advances in congressional elections during the 1980s, the party captured the presidency in the elections of 1989.[15]

Just as business-state ties can break, however, they can also be mended. As Soledad Loaeza wrote regarding the later years of de la Madrid's presidency in Mexico, "all that the de la Madrid government [1983–89] needed to do was to restore harmony between the state and business for the latter to abandon its support for party opposition."[16] Under the presidency of Carlos Salinas de Gortari, the state overtures toward business intensified, resulting in an open alliance between the

government and business groups behind the Salinas administration's program of economic reform. These developments produced a hemorrhage of business support from the PAN, particularly by the larger business and industrial interests that had mobilized behind it after the attempted bank nationalizations of 1982. Similarly, amid the general deflation of conservative party activity in Peru that followed the rise to power and the embrace of free market economic reform by Alberto Fujimori, there has been a renewal of state-business ties and a dissolution of the business party links that had characterized the post-1987 period. Only in El Salvador, where ARENA continues to control the national government, have the links forged between the conservative party and business during the 1980s endured.

A comparative look at the Latin American experience in the 1980s thus suggests that the potential for the electoral mobilization of business is negatively associated with the strength of the state-business relationship. Furthermore, where conservative parties are poorly institutionalized, the electoral fortunes of such parties are particularly sensitive to fluctuations in this relationship. Where significant ruptures in state-business ties take place, business can become a powerful force for the expansion of conservative party influence in electoral arenas. However, the withdrawal of business support can impose major constraints on the institutionalization of these parties and can prevent the maintenance of viable strategies of opposition. This vulnerability to the fickleness of business support constitutes one of the most important impediments to the development of conservative parties in the region.

Governing Coalitions and the Deinstitutionalization of Conservative Party Politics

The new conservative parties that emerged from the lost decade mobilizations were essentially forgers of protest coalitions. Their coalition-building process reached a climax in the presidential elections that swept the region in the late 1980s. But now we must take a step further and ask, what has happened after those elections? To what extent have these coalitions, born out of protest, been forged into stable conservative electoral coalitions?

The institutionalization of these parties depends a great deal on what party leaders do *between* elections. This is especially important for those parties that failed to win presidential elections and cannot now benefit from the fruits of power. If these parties are to become consolidated, a considerable degree of leadership specialization and continuity will be required. Coalitions must be stabilized, organizations built, financial resources mobilized, and ideological appeals reforged. These are the tasks of political leaders. In Latin America, however, the incentives for sustained strategies of party opposition tend to be weak.

There are many reasons for this. The hyper-presidentialist nature of most Latin American regimes, and the often attendant marginalization of the legislative branch, remove an important potential arena that could provide incentives for sustained strategies of party building and political opposition between elections.

Since the last elections, however, another development has posed a threat to conservative party continuity: in countries where conservative parties lost, governments adopted their agendas of liberal reform and in many cases brought conservatives back into the state to help implement those programs. In Peru much of President Fujimori's economic team was taken from the conservative FREDEMO coalition he had just defeated. In Mexico the PAN "cogoverns" with the PRI by rubber-stamping its economic reform initiatives in the National Assembly and controlling regional power bases. It has, however, lost the national initiative it once possessed as the country's most important electoral advocate of free market reform and democratization.

One of the most dramatic instances of this was Argentina, where the Peronist government's economic policymaking institutions became a veritable revolving door of conservative party appointees. What impact did this development have on the UCEDE? The Peronist government's economic reform program, with which conservatives had cast their political fortunes, has been an important success.

Ironically, conservatives did not share in any resulting electoral benefits. In fact, the period of economic reform has been marked by a massive decline in the electoral fortunes of the country's most important conservative party, the UCEDE. Between 1989 and 1991, the UCEDE lost more than 60 percent of its electoral support. In the 1993 elections the UCEDE did not even register a chemical trace in the national elections, and in its home base of Buenos Aires only received 8.7 percent of the vote, the lowest percentage in its short history.

The reason for this is quite simple, beyond the identity crisis caused by the appropriation of a party's agenda by a government in power. As governments controlled by other parties open their doors to conservatives, this produces a drain of leaders from the activities of party organization, who join the government in technocratic roles. The parties become demobilized.

What the postreform period seems to indicate is that, in the tentative institutional context of democratizing regimes, just as leaders can choose to become involved in party politics as a means of gaining influence over the political process, so too can they choose to abstain from party politics once new opportunities to gain access to state decision making are opened to them.

The primary victim of this process is the institutionalization of conservative party politics. As long as conservative parties remain merely part of a varied arsenal for pressure against the state, rather than as institutions permanently organized for the capture of power through elections, it is difficult to foresee their consolidation as shapers of the political process in Latin American democratic politics.

Conclusion: The Possible Futures of Conservative Political Organization

After almost two decades of democratization in Latin America, the institutional forms of upper-class representation are still very much in question. The early fears of upper-class subversion of democratic government have by and large receded, as new and more favorable arrangements in the economic and political realm have emerged from the turbulent experiences of the 1980s and early 1990s. The propertied and the socially powerful today support democratic governments. However, their connection to democratic institutions continues to be tenuous.

As a possible scenario for the future of conservative political organization, the consolidation of existing conservative parties as influential and regular players in democratic politics should by no means be ruled out. El Salvador's ARENA has shown signs of moving in this direction. Its hold on power since 1989, reaffirmed by its comfortable victory in the presidential and local elections of 1994, has given it the opportunity to evolve beyond its pre-electoral status as an elite-based opposition movement.[17] In Mexico the PAN has, after fits and starts, established itself as a major challenger to the PRI's hegemony in key regions of the country. If it is able to forge ties with national business, and build to a critical mass from incremental regional gains, it may challenge the PRI's hold on national power. However, in most of the countries discussed here, the possibilities for such an institutionalization scenario seem more remote. Thus three other scenarios might be advanced as plausible futures for conservative political organization.

The first scenario is merely a return to the time-tried pattern of state-centered pressure politics (relying on economic power, military power, or both). In this case, the current state-conservative coalitions will serve only as temporary marriages of convenience, leaving no lasting institutional legacies in the party realm, other than the erosion of the party institutions built in the 1980s.

However, things have changed in much of Latin America, and there are reasons to hope that the current disarticulation of conservative party politics does not merely represent a return to old historical patterns. The combined experiences of disastrous military rule and lost decade mobilizations have left their mark on the structure of politics and the incentives guiding conservative political action. Burned bridges

with erstwhile military allies, as well as the surprising effectiveness of the electoral routes chosen in the 1980s, may have rendered old conservative ways unfeasible or unattractive to political leaders and much of the business community. Conservatives jumped into the arenas of electoral politics and mass persuasion in the 1980s, and there may be powerful factors preventing easy exit. Thus, while the deinstitutionalization of conservative parties seems to be a widespread phenomenon, it might well be part of a transition to "something else" in the electoral realm rather than a return to past patterns of electoral marginalization.

Thus a second and more hopeful scenario for the consolidation of Latin American democracies might be termed the "conservatization of populism." It would be a sequel of sorts to the ideological and programmatic "conservatization" of populist parties that shaped policymaking in the aftermath of the lost decade mobilizations. Where this leads to successful economic policies and favorable electoral dividends, it may help to bring about deeper changes at the institutional and coalitional levels. The "populist conservatization" scenario would involve (and in several cases has already involved) the absorption of conservatives into the leadership ranks of populist parties. More fundamentally, however, it would be driven by a shift in the social bases of these parties.

Changes in the region's political economy, particularly the lessening of business-state dependence as developmentalism yields to new economic models, would lead to new patterns of upper-class political representation. In this scenario, the formerly "populist" parties could become the electoral carriers of conservatism—the modern guarantors of market stability with a ready-made popular base. Historic state-business ties would yield to more stable party-business ties. The ideological and pragmatic convergences that have brought populist leaders together with business groups today would thus lead to longer-lasting institutional unions.

In this scenario, the social base of populist parties would become increasingly transformed by the addition of upper- and upper-middle-class voters. At the interest group level, the support of business groups for populist parties would become solidified and increasingly open, making business a pivotal base of financial and political support and displacing the parties' more traditional labor and middle sector constituencies. In effect, this development would constitute a core constituency shift for populist parties, rendering them effective advocates of upper-class political agendas while maintaining mass support for these agendas.

Trends in this direction are already visible in Argentina, where the Peronist party has succeeded in mobilizing important electoral support from upper-income voters and has deepened its ties with the large business community. This budding core constituency shift appears now to be prompting a leadership union, as important conservative party lead-

ers have joined the Peronist party ranks. The PRI in Mexico has also shown signs of moving in this direction. In Chile the reformist Christian Democratic Party's promarket and probusiness stand in the last few years has eroded support in both the electorate and the business communities for the country's traditional conservative parties. The election to the presidency of Christian Democrat Eduardo Frei, an economic conservative with close ties to the business community, leaves open the possibility for such a shift in the social bases of support for the party. The ideological and coalitional shifts experienced by the Bolivian Movimiento Nacional Revolucionario (MNR, National Revolutionary Movement) in the last decade may provide another instance of populist conservatization.[18]

However, the realization of a populist conservatization scenario is fraught with obstacles. Any such transition would be marked by considerable conflict. Old guard elements on both the populist and the conservative side stand ready to undermine the union at every turn. Victory by radical populist leaders in internal elections could split the alliances apart. In addition, loyalties to old party labels and standards can prove surprisingly resilient. In these situations, economic success might not be a strong enough glue to keep the pragmatic alliance from unraveling before the power of entrenched ideological and institutional legacies.

A third scenario would thus fall between the two mentioned above: a new "rapid deployment" model of conservative party politics. The 1980s gave important lessons to conservatives. In a very short period of time they proved able to change the terms of the political debate and gain support for their agendas through the electoral process. They did so without the help of their erstwhile uniformed allies and, in many cases, without prior party structures. Given the structural power of their core constituencies, control of vital mass media outlets, contacts with influential intellectual circles, international ties, and the now tested financial power of a mobilized business community, conservatives have found themselves to be quite adept at mobilizing national electoral movements quickly and when crisis conditions warrant them.

That they have proven equally willing to abandon party building when possibilities for state-centered strategies emerge does not preclude a return to electoral mobilization if conditions change. In a future post-Fujimori crisis, a new conservative coalition might well emerge from the ashes of the short-lived FREDEMO and Movimiento Libertad, with familiar leaders wearing new and unfamiliar party labels. Rapid deployment for presidential elections might also be an effective strategy for conservatives that are institutionally weak nationally but have strong regional parties that safeguard their interests between presidential elections.[19] Knitting together the familiar constellation of regional

conservative party networks and business interests behind new candidates and institutional facades, Brazil's regionally fragmented conservatives may, again and again, thwart the long and hard-fought bid of the Workers' Party for national power.

As a model of conservative political action, "rapid deployment" might blend the old and the new of conservative party politics in Latin America. It remains true to its historic institutional fluidity in much of the region, yet it also incorporates the significant changes in political practice that came with the lost decade mobilizations. Its impact on democratic development in the region, however, is hard to foretell. On the one hand, it would represent an advancement over previous military coup models of conservative political action. On the other, it is just as much a crisis-driven form of political action, one that does little to solidify the institutional bases of democratic politics.

It can be said that conservatives "discovered" party politics in many countries during the 1980s. It might be too much, however, to expect that the stable institutionalization models of party development imported from other regions or countries should result from this. Rather than the long-term development of conservative parties, we might see electoral mobilization emerge as a new and potent weapon in a varied arsenal of elite-based political resources, one whose relevance will rise and fall in response to changing opportunities that present themselves to conservative leaders and their core constituencies.

belief that societies should be judged not by the well-being of their richest members but by the fate of the less well off." *Economist*, July 11, 1994, 25.

7. The growth of evangelical movements can be seen as part of this same process of rejection of the traditional forms of social organization, whether it be the political parties or the Catholic Church. In Peru an important base of support for Fujimori came from the evangelical churches.

8. I am grateful to Carol Graham for raising this point.

9. Although to describe these parties as populist begs many questions, it does point to features that differentiate them from the orthodox parties of the Left. They had a stronger desire for power, enjoyed broader social appeal, and had more flexible and politically astute leaders. Examples of such parties include APRA, Acción Democrática (Democratic Action) in Venezuela, the Partido Peronista (Peronist Party) in Argentina, the Colorados (Colorados) in Uruguay, the Partido Trabalhista Brasileiro (PTB, Brazilian Workers' Party) of Vargas in Brazil, and the Liberal party of Colombia.

10. Haya de la Torre had written about Chilean socialists in 1946 that "they have contempt for democracy because it has not cost them anything to acquire it. If only they knew the real face of tyranny." After 1973 they did indeed know the real face of tyranny. Quoted in Jorge Arrate, *La fuerza de la idea socialista* (Santiago: Ediciones del Ornitorrinco, 1989), 23.

11. Figures from the chapter by Michael Coppedge in this collection. This chapter explains very well the loss of popularity of what had been a very stable two-party system, giving rise to support, on the one hand, for a new Left party, Causa R, and on the other, for an old-style populist now campaigning against the parties, Rafael Caldera.

12. But as Juan Rial points out in his chapter in this collection, the union movement in Uruguay is less centralized and disciplined than it was, and is divided between a radical and moderate faction.

13. Rial (ibid.) describes the former guerrilla movement, the Tupamaros as fully—if negatively—integrated into the democratic system and as the "bearers of a high voltage discourse that defends the main tenets of the ideology of the extreme left."

14. Quoted in an interview with Lula in *Adelante* (London) (January 1981): 6.

15. It is perhaps too easy, in a rather bleak panorama, for the Left overall to praise the PT. A cautionary note is sounded by Bolivar Lamounier: "The PT is neither a disciplined party of the old Soviet-inspired variety, nor an European style labor or social-democrat party. It is not even a relative of Argentine justicialismo, ready to follow any president as long as he comes from the peronista ranks and seems to be succeeding. Unlike the rank-and-file of these other left of center varieties, the PT's dedicated militancy is characterized by a diffuse and somewhat messianic intent of substituting a 'good' for the now defunct 'bad socialism.'" Bolivar Lamounier, "Brazilian Democracy from the 1980s to the 1990s: The Hyperactive Paralysis Syndrome" (paper for the Inter-American Dialogue, Washington, D.C., 1994), 52.

16. In the words of Denise Dresser, writing about the 1994 campaign: "Cárdenas is attempting to shed his statist image and reinvent himself as a modernizer with a social conscience. He has vehemently disavowed suggestions that he would nationalize the banks, and return to the protectionist policies of the past. What he does propose is the need for a revised role of the government in the promotion of economic growth, employment and the design of an industrial policy. Cárdenas offers continuity with 'revisions.'" Denise Dresser, "Mexico: Twilight of the Perfect Dictatorship" (paper for the Inter-American Dialogue, Washington, D.C., 1994), 10.

17. Lewis Taylor, "One Step Forward, Two Steps Back: The Peruvian *Izquierda Unida* 1980–1990," *Journal of Communist Studies* 6, no. 1 (1990): 74.

18. Quoted in James Dunkerely, "The Pacification of Central America," Institute of Latin American Studies, Research Paper no. 34 (University of London: 1993), 103.

19. Christopher Abel and Marco Palacios, "Colombia since 1958," in *The Cambridge History of Latin America* (Cambridge, 1991), 8:655.

20. Marc Chernick and Michael Jimenez, "Leftist Politics in Colombia," in Barry Carr and Steve Ellner, eds., *The Latin American Left* (Boulder, Colo.: Westview Press, 1993).

21. James Dunkerely describes the current political situation in Central America as pacification rather than democratization. He makes the point that the Left's exclusion from previous elections works to its disadvantage: "It is worth noting that even parties such as the Guatemalan Christian Democrats that have participated in deeply flawed electoral systems have thereby acquired operational skills and systems lacking in excluded organisations. Age and the attendant familiarity and loyalty have been core assets for established parties even where failure to win office has precluded the distribution of rewards or threatened a sense of impotence and exhaustion." Dunkerely, "Pacification of Central America," 48. It remains to be seen, then, how the Left in Central America will react to persistent electoral defeat if that occurs.

22. Successful stabilization policies can bring immediate popularity to an incumbent government, whatever its politics. But crucial to the long-term success of those measures are widespread poverty alleviation programs. If governments can combine both, then the outlook for the Left is poor. For a detailed and illuminating account of the Bolivian ESF (Emergency Social Fund), see Carol Graham, *Safety Nets, Politics and the Poor: Transitions to Market Economies* (Washington, D.C.: Brookings, 1994).

23. In discussion, Alex Wilde pointed out that the democratic agenda in Latin America is incomplete in the sense that some issues are not included in the debate on democracy, notably those involving distributional issues. One function of the Left, then, should be to ensure that issues elite pacts prefer not to address are put on the political agenda.

Chapter 2 Conservative Party Politics in Latin America (Gibson)

I thank Jeanne Giraldo for her very helpful comments on the first draft of this chapter.

Parts of this article are taken from my book, *Class and Conservative Parties: Argentina in Comparative Perspective* (Baltimore: Johns Hopkins University Press, 1996).

1. Guillermo O'Donnell and Philippe C. Schmitter, *Tentative Conclusions about Uncertain Democracies*, part IV of *Transitions from Authoritarian Rule: Prospects for Democracy*, ed. Guillermo O'Donnell, Philippe C. Schmitter, and Laurence Whitehead (Baltimore: Johns Hopkins University Press, 1986), 62–63.

2. For the purposes of this analysis, conservative parties are defined as parties that draw their core constituencies from the upper strata of society and are thus defined by their social base rather than by their ideology. This helps to distinguish this type of party from other parties or movements that are often considered to be part of "the Right." In this chapter, "the Right" refers to one end of a Left-Right ideological continuum that conservatism might well share

with movements of different sociological bases. Fringe groups on the Right, quasi-fascists, or paramilitary party groups are thus excluded from this analysis unless they are characterized by this strategic relationship with socioeconomic elites. For a more detailed theoretical discussion of this issue, see Gibson, *Class and Conservative Parties: Argentina in Comparative Perspective.*

3. The phrase "lost decade" refers to the 1980s, which is known in common parlance as Latin America's lost decade of development. This period, which saw the region's most impressive historical wave of democratization, also represented its worst and most generalized socioeconomic crisis since the Great Depression.

4. For the Colliers' argument about the pivotal importance of state-labor relations in the evolution of political regimes in Latin America, see Ruth Berins Collier and David Collier, *Shaping the Political Arena: Critical Junctures, the Labor Movement, and Regime Dynamics in Latin America* (Princeton: Princeton University Press, 1991).

5. See, for example, Collier and Collier, *Shaping the Political Arena;* Dietrich Rueschemeyer, Evelyn Stevens, and John Stevens, *Capitalist Development and Democracy* (Chicago: University of Chicago Press, 1992); and Karen L. Remmer, *Party Competition in Argentina and Chile* (Lincoln: University of Nebraska Press, 1984).

6. The figures for Costa Rica skew the average for the first group of countries considerably. In this case, the median ratio is probably a fairer measure. The median ratio for the group of countries with strong conservative parties is 4.2, while the median ratio for countries with weak historical legacies of conservative party organization is .55. If only the South American cases are taken into account (the Central American cases providing the extreme values on both ends), the average ratios are 3.43 and 0.9. Whatever measure is chosen, however, the conclusion remains the same: countries with viable national conservative parties in place at the start of democracy experienced far greater democratic stability throughout the twentieth century than countries that did not.

7. For an exploration of this question by a prominent member of the Brazilian Left, see Francisco Weffort, "Why Democracy?" in Alfred Stepan, ed., *Democratizing Brazil: Problems of Transition and Consolidation* (New York: Oxford University Press, 1989), 327–50.

8. For an account of Belaúnde's strategies on his return to power, and the symbolic strength of his campaign as a repudiation of the experience of military rule, see Julio Cotler, "Los partidos políticos y la democracia en el Perú," *CEDES/CLACSO Grupo de Trabajo de Partidos Políticos, Documento de Trabajo* 9 (Buenos Aires: 1989).

9. This phenomenon was not limited to the above-mentioned countries. It was also present in such countries as Ecuador and Bolivia, where a profound deterioration in business-state relations occurred, even without the drama of bank nationalizations. As Catherine M. Conaghan, James M. Malloy, and Luis A. Abugattas point out, business concern over the unpredictability of military rule was a major factor shaping postauthoritarian politics in all Central Andean countries. See their article, "Business and the 'Boys': The Politics of Neoliberalism in the Central Andes," *Latin American Research Review* 25, no. 2 (1990): 3–30. For Argentina see also Carlos Acuña, "Intereses empresarios, dictadura, y democracia en la Argentina actual (O, sobre porqué la burguesía abandona estrategias autoritarias y opta por la estabilidad democrática)," *Documento CEDES* 39 (Buenos Aires: Centro de Estudios de Estado y Sociedad, 1990).

10. See Roberto Tirado, "Los empresarios y la política partidaria," *Estudios Sociológicos* (Mexico City: El Colegio de México) 15 (1987).

11. The evolution of business-government relations during the García government is analyzed in detail by Francisco Durand in *Business and Politics in Peru: The State and the National Bourgeoisie* (Boulder, Colo.: Westview, 1993).

12. See Blanca Heredia, "Can Rational Profit-Maximizers Be Democratic? Business and Democracy in Mexico," paper presented at conference of "Business Elites and Democracy in Latin America," Kellogg Institute, the University of Notre Dame, May 3–5, 1991, p. 2. See also Leticia Barraza and Ilán Bizberg, "El Partido Acción Nacional y el régimen político mexicano," *Foro Internacional* 30, no. 3 (1991): 418–45.

13. Mirko Lauer, "Adios conservadurismo, bienvenido liberalismo: La nueva derecha en el Perú," and Francisco Durand, "The National Bourgeoisie and the Peruvian State: Coalition and Conflict in the 1980's," in *Business and Politics in Peru: The State and the National Bourgeoisie* (Boulder, Colo.: Westview, 1993).

14. Heredia, "Can Rational Profit-Maximizers be Democratic?"; Barraza and Bizberg, "El Partido Acción Nacional."

15. Gabriel Gaspar Tapia, *El Salvador: El ascenso de la nueva derecha* (San Salvador: CINAS, 1989).

16. Soledad Loaeza, "Derecha y democracia en el cambio político mexicano, 1982–1988," conference paper no. 24 (New York: Columbia University–New York University Consortium, April 1990), 47.

17. For an analysis of factors behind ARENA's performance in the 1994 elections, see Liesl Haas and Gina M. Perez, "Voting with Their Stomachs: 'Las Elecciones del Siglo' in El Salvador," *LASA Forum* (Latin American Studies Association) 25, no. 3 (1994): 3–6.

18. For an analysis of recent developments in Bolivian politics, including policymaking and coalition building by the MNR under presidents Paz Estenssoro and Sánchez de Lozada, see the chapter by Gamarra in this collection.

19. I am indebted to Jeanne Giraldo for this point.

Chapter 3 Democracy and Inequality in Latin America (Castañeda)

1. Fernando Benítez, "Desigualdad," *La Jornada*, January 8, 1994.

2. Nora Lustig, "Introduction," in *Coping with Austerity: Poverty and Inequality in Latin America* (Washington, D.C.: Brookings, 1995).

3. Rafael Rodríguez Castañeda, "El reparto de la riqueza en tiempos de Salinas de Gortari," *Proceso* 971 (July 12, 1992): 6–9.

4. Alberto Alesina and Roberto Perotti, *Income Distribution, Political Instability, and Investment* (Cambridge, Mass.: National Bureau of Economic Research, October 1993).

5. Sebastian Edwards, *Latin America and the Caribbean: A Decade after the Debt Crisis* (Washington, D.C.: World Bank, 1993), 118.

6. *World Development Report 1992* (Oxford: Oxford University Press, 1992): 236.

7. Thomas E. Skidmore, *Politics in Brazil* (Oxford: Oxford University Press, 1970): 192.

8. Alesina and Perotti, *Income Distribution.*

Chapter 4 Traditional Power Structures and Democratic Governance in Latin America (Hagopian)

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