Peru Country Assessment Report

12-30 October 2009
Lima, Arequipa, Piura

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EXECUTIVE SUMMARY

Though operating within an open democratic system, Peru's political party system suffers from multiple interrelated challenges and weaknesses. The defining characteristic of the party system is the large number of competitors at the national level, and an even greater number at the department (regional), regional, municipal, and district levels. The ongoing process of decentralization of political authority has worked against a strengthening or institutionalization of national parties and has helped to foster the multiple but weak sub-national political movements and organizations. Concomitant to or as part of this process, the legislature approved a Political Party law in 2003 (revised in 2009) that created a legal distinction between groups that compete for political power, and thus furthered the proliferation of these groups. According to the law "parties" compete at the national or sub-national levels, but political "movements" can only compete at the departmental (regional) level and political "organizations" only compete at the municipal and district levels. The large number of political groups that compete for power at the different levels complicates ideological definitions, thereby challenging voters in any attempt to differentiate programmatic options during political campaigns. An important result of this weakness and the inadequate channels between citizens and elected officials has been the increasingly violent episodes of social conflict related to governance or extractive industry issues.

These challenges and weaknesses lead us to recommendations that focus on changes needed at both the party and system levels. We caution that without the system-level changes, programs assisting individual parties will be fighting against counterproductive forces.

Political Overview

Peru has successfully maintained democratic rule since 1979 except for an important interlude in 1992-93. The system, however, faces tremendous challenges. First there are trends in the region towards a de-institutionalization of the party system. This is notable in the multiple presidents who have come to office from outside the existing party system from both the left (Bolivia, Venezuela) and the right (Colombia). Peru's Fujimori is emblematic of this trend, and the nationalist Humala is a threat to continuing this trend. In a related issue, ethnic parties, such as Ecuador's Pachakutik, have grown in importance, thus giving groups in Peru and elsewhere important models to emulate. Perhaps this is related to the serious and perhaps growing tensions with indigenous groups over land rights and neo-liberal policies. The country's Maoist guerrilla group, which has been quieted since 1992, has renewed attacks and threatens to grow. And third, while economic growth has been impressive, poverty stubbornly continues to plague the country.

These regional trends and domestic challenges would be overwhelming for any politician or political system, but Peru's political parties are particularly ill-equipped to handle them. Seven alliances (and many more parties) are represented in the current legislature, and the president's party only controls 36 percent of the legislative seats. Only one party has significant roots in society, and instead of policies, voters are wooed by populist politics, nationalistic appeals, identities, or clientelism. Further, the national parties compete (often unsuccessfully) in sub-national elections against a multitude of other personalist "movements" and "organizations."

The Fujimori government (1990-2000) weakened an already weak party system, and his legacy continues to drive party system dynamics. After wining as an anti-party outsider, Fujimori

proclaimed a frustration with the legislature and political parties, and thus committed a "self-coup" in 1992, closing congress and the judiciary. He then formulated a new constitution that included mechanisms of participatory and direct democracy as alternatives to party-oriented democracy.

Peru is now entering its third post-Fujimori electoral cycle. The first two full-term presidents Alejandro Toledo (2001-2005) and Alan Garcia (2006-2010) have portrayed different parts of the Fujimori legacy. Toledo created a new party for his campaign, thus showing the continuing viability of outsider candidates. Following Fujimori, Garcia has made extensive use of decree powers.

Economy and Social Tensions

Despite the constant political instability, the economy of Peru has grown without interruption since 2002. The Peruvian economy grew more than 4% per year between 2002 and 2006 with a stable exchange rate and low inflation. Then the growth rate increased to 9% per year thanks to the rise in world prices for minerals, metals, and textile exports. As a result, foreign investment is pouring into Peru. Impressively, the national poverty rate fell by about 15% since 2002. The economic growth has produced wealth at a much faster pace than it has reduced poverty (poverty remains at a rate of 40%). Unemployment also remains high and underemployment is rampant. And not all the regions are equally benefitting from this period of growth. While Lima, the Pacific coastal strip, and most of the north of the country are thriving, the poorest regions in the country (especially the agricultural Andean region in the south) have not reaped the benefits of this unparalleled growth.

While Peru is currently stable, there are important underlying tensions that have exploded in limited arenas. The most serious conflicts in recent years have been tied to government economic policies. The policies of Presidents Toledo and García have produced economic growth, but poverty rates remain high and socioeconomic inequality has worsened. The last two administrations have offered land concessions for oil and gas exploration, mining, biofuel crops and logging. This has led to conflict, because many of these land concessions are superimposed on towns, farms, and natural parks, some of which occupied by peasants or indigenous groups. This tension exploded in June, 2009 when, after two months of strikes and blockades, armed confrontation between indigenous groups and the police provoked dozens of casualties in Bagua.

Ineffective Political Parties and the Party Law

In addition to these socioeconomic tensions, the Peruvian political system faces tremendous challenges related to the ineffectiveness of parties and the weakness of the party system. This system is characterized by very weak ties between the citizenry and the parties, high levels of electoral volatility in the country, frequent appearance of new parties that support new political ambitions, and almost invisible party organizations, except at election time. The collapse of the party system was also at the forefront of issues facing the post-Fujimori administrations in Peru. In 2001 the Peruvian Congress therefore created a commission to make specific propositions for reform and regulating the activity of political parties. This process led to a new political party law that was approved in October 2003 (and revised in October 2009, just after our team completed its field work). The party law does not affect the formula for electing legislators, which contributes to the large number of undisciplined parties. The Peruvian system of open-list

proportional representation allows parties with a small vote total to win representation, thus encouraging a proliferation of competitors.

The new party law was intended to stabilize the Peruvian party system by forcing parties to select candidates through democratic processes, regulating regional movements, increasing financial reporting responsibilities, and allocating public funds for the parties. However, the executive nixed the public funding which could have helped the parties establish more extensive organizational structures, and in other important respects the law has made the institutionalization of a strong party system more difficult to achieve.

Under the new law, for example, regional notables can still set up their own political vehicles very easily, snubbing political parties or increasing their leverage in negotiations with parties. This led to the October 2009 revision, which increased the required signatures for forming a movement and the number of votes needed to preserve a party's registration. In addition to the signatures, parties, movements, and political organizations are supposed to have committees spread throughout their electoral territories and the new law extended financial reporting requirements to the movements and organizations. These new requirements have some potential to limit the proliferation of parties and movements, but even with careful enforcements, they are likely to provoke only marginal changes in the party system. Note that while 17 parties were de-registered after the 2006 election, the number of registered parties still grew from 24 to 36 between 2003 and 2006.

Many, if not most of the political parties, regional movements, and political organizations fail to perform their accountability and representation functions adequately. National parties have limited connections to citizens. This is manifested in the very infrequent trips of legislators to visit their districts, the lack of party (or individual legislator) district offices, and the very low reelections rates. The national political parties have few if any party offices outside of Lima, with the exceptions of APRA and of late PNP. Party organization in the regions lack staff, communication, and physical space. Regional movements by their very nature maintain an organizational presence below the national level. These organizations tend to be rather small in size and basic in structure, reflecting not just the more limited breadth of political ambition, but also the ephemeral commitment of the leadership to their own regional movements. Moreover, political organizations generally lack programmatic focus, meaningful organizational presence among voters, communication channels with voters, and knowledge of citizen interests below the national level. The inability of citizens to differentiate between parties on policy issues also stems from the personalistic nature of national political parties and regional movements. As a result, trust in the institutions is very low and political turnover (among politicians and parties) is very high. The violent swings in voter sympathies suggest fickle preferences and the parties' weak roots in the electorate.

One important indicator of the weakness is the poor support of the national parties in the 2006 elections for subnational executives and legislatures (akin to mayors, governors, city councils and state legislatures). While this weak performance does suggest the parties' poor organization and inability to connect with voters our analysis of vote returns suggests that the concerns may be overstated. As a group the national parties did lose vote share in 2006, but they still won 45% on average. This is down from 63% in 2002, but the national parties were still competitive as a group, winning at least 40% of the vote in 18 of the 25 regions. What harmed the national parties in 2006, then, was the timing of the subnational elections. In 2002 subnational elections took place in November and national elections followed in April 2003. As a result, the national

parties organized in the various regions to support their national ambitions. In 2006, however, the timing was reversed. In that year the national elections were in the April preceding the subnational contests. As a result, the parties failed to marshal their forces for the contests.

The weakness of the party *system* also affects the effectiveness of *parties* in government. Political parties do not determine the legislative agenda, do not act as effective watchdogs on other governmental branches, do not provide coherent and constructive opposition, and do not function as authoritative organizations. The executive branch is the major political actor in Peru, essentially controlling the legislative agenda. Constitutionally, only the executive branch has legal authority to submit a budget bill, Congress can only amend that bill. If Congress does not pass the budget by a certain deadline, then the proposed budget passes by default. On a practical level, the lack of research capacity and access to ministerial information present severe limitations on the quantity and quality of legislative proposals. Moreover, there is no coherent legislative agenda other than what the executive branch wants. Majorities for passing bills are constructed through ad hoc coalitions.

Regional movements and local political organizations fare little better, but the ongoing process of decentralization has fueled a growing gap between citizen expectations and government performance. The decentralization process in Peru has gone far, but it has not ended and center-periphery relations are still in flux. These evolving relations involve economic and political variables, and are characterized by the wide variety of subnational movements and organizations. The regional movements and political organizations that operate at the municipal and provincial levels are in a constant state of change, as are the ever-shifting alliances between local notables and political parties in advance of every election.

Recommendations

In response to these weaknesses, we offer four recommendations to the USAID Peru program that focus on improving programmatic competition and partisan links with voters. An important emphasis is working at the system level before investing heavily in supporting individual parties.

1. The current program promoting discussion about the party law should be re-focused to address the impact of the law on the number of political competitors at all levels of government.

2. The current program to develop the capacity of national political parties should be reduced to providing technical assistance for research capacity until incentive changes proposed here are implemented and there is evidence that they are interested in developing more solid institutional frameworks.

3: Discussions among political parties should be re-focused to address the institutional interests of Congress to oversee the executive branch and to strengthen constituent relations.

4: While there are political and pragmatic concerns about working with groups that may be or have been associated with violence, the current program that promotes discussion and policy development for regional interests could be expanded to include a separate track for social organizations. The program should also include a series of issues discussions by experts, elected officials, and community leaders.

SETTING THE CONTEXT: POLITICS, PARTIES, AND THE PARTY SYSTEM

Peru has successfully maintained democratic rule since 1979 except for an important interlude in 1992-93. The system, however, faces tremendous challenges. There are serious and perhaps growing tensions with indigenous groups over land rights and neo-liberal policies. The country's Maoist guerrilla group, which has been quieted since 1992, has renewed attacks and threatens to grow. And third, while economic growth has been impressive, poverty stubbornly continues to plague the country.

These challenges would be overwhelming for any politician or political system, but Peru's political parties are particularly ill-equipped to handle them. Seven alliances (and many more parties) are represented in the current legislature, and the president's party only controls 36 percent of the legislative seats. Only one party has significant roots in society, and instead of policies, voters are wooed by populist politics, nationalistic appeals, identities, or clientelism.

Political Context

Party building programs in Peru confront an open presidential democracy, but a strong anti-party strain. The government respects political and civil rights, and competitors respect electoral outcomes. As a result, parties and other civil groups operate freely in the society. At the same time, the political context faces many challenges, including domineering presidents, a high degree of party fragmentation, very weak ties of parties to voters, limited national reach of parties, and low regard for political parties and other democratic institutions among the public. Overlaying these other challenges are new complications that have resulted from the on-going decentralization process. Not only has this forced new tensions between the national and subnational governments, it has fostered a proliferation of subnational party-like organizations that are not tied to the parties (formally "regional movements" and "political organizations"). As a result, parties have difficulty developing nationwide organizations and responding the national/subnational development concerns.

Peru's democracy was inaugurated in 1979, but it has an important blotch on its record, a "self-coup" by President Alberto Fujimori in 1992. Fujimori and his coup left indelible marks on party building. Most notably, his heavy-handed style (even while operating under democratic rules) augmented the focus on the president to the detriment of the legislature and party politics. Even many of Fujimori's detractors still cite his effectiveness in bringing the country back from hyperinflation and capturing the leader of the insurgent group, *Sendero Luminoso* (Shining Path). Since Fujimori himself had won the presidency as a non-partisan outsider, his legacy supports anti-partisan candidates and concentration of power in the executive branch.

Eight years after his auto-coup Fujimori resigned in disgrace (by fax, from Japan). Democracy had been formally reinstated in 1993, with Fujimori winning a new election in 1995. The corruption and human rights scandals, as well as the international condemnation of his coup, have thus enforced the respect for democracy,

Peru is now entering its third post-Fujimori electoral cycle. The first two full-term presidents Alejandro Toledo (2001-2005) and Alan Garcia (2006-2010) have portrayed different parts of the Fujimori legacy. Toledo created a new party for his campaign, thus showing the continuing

viability of outsider candidates. Garcia, who had been president prior to Fujimori, won his election the support from the one longstanding party, APRA. His first government was disastrous, ending amidst hyperinflation and a growing insurgency. His second government has stood in direct contrast, as inflation is low and economic growth strong. Following Fujimori, however, Garcia has made extensive use of decree powers.

While the decrees are excessive, Peru continues as an open society without important limitations to free speech or assembly. There have been important crises, including a clash between government forces and anti-privatization protesters in the Amazon region of Bagua that resulted in over 50 deaths. There are also some continuing threats from the Sendero Luminoso, with several murders in recent months. Overall, however, parties operate in an open society.

Throughout the post 1979 period, legislative elections have produced a large number of parties. In 2001 Toledo won only 37% of the vote in the first round, and his party, Peru Posible, entered the legislature with only 45/120 seats (38%). In 2006, Garcia faced a similar situation, winning just 24% of the vote and 36% of the legislative seats (
Table 1). Multipartism (7 groups have representation in Congress, and several of these are amalgamations of multiple parties) hampers legislative decision making and limits the authority of party leaders. Further, low reelection rates limit the legislators' experience and expertise, and the minimal staff resources are a significant barrier to effectiveness and productivity. The legislature's lack of the capacity to analyze policy proposals and oversee bureaucracy further empowers the executive.

Table 1: **Congressional Votes, Seats, and Regional Representation, 2006**

Party	**Votes**	**% Votes**	**Seats**	**Regions Represented**
Unión por el Perú (UPP) Includes: Partido Nacionalista Peruano (PNP)	2,274,797	21.2	45	24
Partido Aprista Peruano (PAP)	2,213,623	20.6	36	20
Unidad Nacional (UN) includes: Partido Popular Cristiano (PPC), Solidaridad Nacional (SN), Renovación Nacional (RN)	1,648,717	15.3	17	10
Alianza por el Futuro (Fujimorista) Includes: Cambio 90, Nueva Mayoria	1,408,069	13.1	13	6
Frente de Centro includes: Acción Popular (AP), Somos Peru, Coordinadora Nacional de Independientes (CNI)	760,261	7.1	5	3
Perú Posible (PP)	441,462	4.1	2	1
Restauración Nacional (RN)	432,209	4.0	2	2
Others (17 parties and alliances)	1,574,185	14.6		
Totals	**10,753,323**	**100**	**120**	**---**

Source: Political Database of the Americas

Table 1 shows one other important trend related to representation: the largest parties won legislative seats in a wide variety of regions. The Apristas spread their 36 seats across 20 regions,

and the UN won seats in 10 different regions. The UPP, which is dominated by Humala's National party won its 45 seats in 24 different regions, including Lima and outlying areas. In short, the parties are reasonably nationalized. The fact that even the PNP, the party with an ethnic base and nationalist ideology, won significant votes in many regions should ward against regional-based conflict.

Historical Overview of Party System

Leading analyst Martin Tanaka (2005) describes the Peruvian political system as a "democracy without parties" (see also, Levitsky 1999) This system is characterized by very weak ties between the citizenry and the parties, high levels of electoral volatility in the country, frequent appearance of new parties that support new political ambitions, and almost invisible party organizations, except at election time. The 2006 Congress is composed of seven party groupings, most of which are weak shells of independent politicians. Even more telling is the almost inexistent link between the Congressionally-represented parties and the scores of regional movements and political organizations that govern at the four sub-national levels of government (regions or departments, provinces, municipalities, and districts).

Peru's party system has not always been so chaotic. Traditional political parties and alignments returned with the transition democracy in Peru in 1979. During the democratic transition, the main political blocs negotiated a "fundamental pact" to insure the respect of democratic pluralism and alternation in power. The constitution thus brought forth universal suffrage without restrictions and the proportional representation (PR) electoral system fostered a flowering of political parties. Further, the transitional 1978 election made clear that each one of the three political blocks (AP and PPC in the right, APRA in the center, and many parties in the left) represented about one third of the electorate. None could reach a hegemonic position but all could hope to win elections.

The institutions, however, were operating in the face of several great challenges that had a negative effect on the legitimacy of the Peruvian political system and eventually led to the collapse of the party system in 1990. First, the new democratic institutions had to coexist with very active and mobilized civil society that expected that democratization to bring rapid socioeconomic changes with it. Second, in 1980 the Maoist *Sendero Luminoso* (Shining Path) was established. The fight against this violent guerilla group generated a heavy burden on and challenged the legitimacy of the fragile democratic institutions. Third, the 1980s were marked by a severe economic crisis which the first democratic governments were unable to solve. Fernando Belaúnde (1980-1985) from the rightist AP party applied orthodox policies which were inefficient and unpopular. In reaction, Alan García (1985-1990) implemented different policies from the left. Although his unorthodox policies had short term success, they ended in economic disaster and hyperinflation.

In spite of these challenges, the party system in Peru was reasonably stable during the 1980s. Although there were very high levels of electoral volatility among particular parties, the vote share of the left (Izquierda Unida), center (APRA), and rightist (AP and PPC) blocs was reasonably stable. However, as a result of their inability to deal with the terrorism and economic crisis, the party system collapsed in 1990 when Fujimori, an outsider with an anti-party discourse, came to power.

While the economic and social crises were the immediate cause of the party system collapse, the party system was not well-rooted. Like the parties of today, with the partial exception of APRA, the pre-Fujimori parties were unable to adapt to the new world economic order that saw the exhaustion of a state-centered sociopolitical system. Previously the parties had tried to advance their agendas and increased their popularity by allying themselves with interest groups and labor unions. As labor unions declined in importance, urbanization increased the numbers of unorganized and informal workers, and the mass media gave rise to a new means of politicking, the traditional parties failed to adapt. The vacuum gave rise to outsiders, such as TV network owner Ricardo Belmont who became mayor of Lima in 1989 and the almost unknown university professor, Alberto Fujimori, who was elected President in 1990. We provide more detail about APRA and the other parties below in our classification of party types.

Fujimori & the collapse of democracy and the party system

The Fujimori (1990-2000) government weakened an already weak party system, and his legacy continues to drive party system dynamics. After winning as an anti-party outsider, Fujimori proclaimed a frustration with the legislature and political parties, and thus committed a "self-coup," closing congress and the judiciary in 1992. He then formulated a new constitution that included mechanisms of participatory and direct democracy as alternatives to party-oriented democracy.

Fujimori's government had two tremendous successes: ending hyperinflation and capturing the head of *Sendero Luminoso*. As a result, his views about and experience with governing without political parties (if not the authoritarianism and corruption) are still prominent in political discussions. Another noteworthy success was an increase in public works in the regions. In addition to the negative view of political parties, he has also bequeathed to the political system a positive view of quasi-authoritarian presidentialism. Not only was his scapegoating of the political parties and Congress to support his self-coup popular, it allowed him to govern through presidential decrees, even after the legislature returned to work. This tactic continues to threaten democracy by calling into question the utility of the representative branch of government.

Reconstituting the Political System

After Fujimori's fall (based on corruption charges against him and his primary advisor) and a subsequent caretaker government, Alejandro Toledo was elected president in 2001. Fujimori's legacy remained. Supported only by a new party, *Peru Posiblé*, that, as noted won only 38 percent of the legislative seats, Toledo struggled to gain support. This led him to rely to an important extent on another Fujimori legacy, presidential decrees.[1]

The political volatility and collapse of the party system was also at the forefront of issues facing the new government. With the encouragement of the international committee and local NGOs such as Transparencia who provided expertise and helped to publicizing the issues, in 2001 the Peruvian Congress therefore created a commission to make specific propositions for reform and regulating the activity of political parties. This process led to a new political party law that was approved in October 2003.

The party law had four main goals. The first was to assure that the political parties had significant support in society. While strengthening the requirements for the formation of parties in some ways, the law has not been strong enough to significantly limit the number of

[1] Toledo used this resource much less than his successor, Garcia, has done.

competitors. Formally the law requires new parties to obtain signatures equal to one percent of the voters in the last election and to form committees comprised of at least one third of the provinces located within two-thirds of the regions. There are 25 regions and 195 departments, so this implies formation of about 18 X 3 or 54 committees. For the subnational movements and organizations, the committee requirement was one-half plus one of the corresponding lower level groupings. For example, regional movements had to have committees (of 50 people) in one half plus one of the provinces within the department in which it was organizing. This could be an important hurdle for some parties, movements, or organizations, but ONPE (Peruvian National Electoral Organization) has difficulty verifying these committees.

The second main objective was to encourage more citizen participation within the political parties, and perhaps limit the dominance of party elites. Towards this end, the new law required internal democracy in the political parties, with primaries or other public mechanisms[2] to choose party leaders, and candidates for Congress and the presidency.

The third goal of the party law was to establish transparent parties with equitable access to the media. As part of this goal, the new law established a mixed system of party financing, replacing the traditional system, which included no public subsidies. This provision, however, allowed the president to exercise discretion based on the state of the economy and budgetary provisions. On these grounds, President Garcia has denied the parties access to any public funds.[3]

The fourth goal was to codify the relation of political parties to "regional movements" and "political organizations" that operate at the provincial, municipal, and district levels. One critical part of this change was the direct election of regional authorities starting in 2003 (municipal elections have been held since the 1960s). The legal status of these movements and organizations emanates from the constitution, but that document failed to distinguish their role from political parties. The party law has yielded disappointing results here, too, due to two serious problems. First, the law gave undue advantages to the movements and organizations for registration and accounting. Several national party representatives complained that the subnational groups do not have to file the same paperwork with the ONPE regarding campaign finance or restrict themselves to the same financial requirements. Second, the requirements to form these subnational organizations were even less stringent than they were for parties.[4] This, then, fostered a proliferation of these groups. As we detail below, the non-concomitant timing of the regional and national elections also contributes to the weak ties between national and regional/local parties.

All told, the law engendered an unsustainable relation between parties, regional movements, and political organizations. In addition to the other serious weaknesses in the party law, it lacks sanctions. The parties seem to have taken some parts of the law seriously, such as creating at least the impression of internal party democracy, but those that fail to follow the law face no formal penalties.

[2] The options were open primaries, closed primaries, or election through a body of the party elected by the members.
[3] Others charge that Garcia is denying the funds to protect his own anti-party interests.
[4] Among the problems was that citizens were limited from signing petitions for more than one political party, but were not prevented from signing petitions for multiple regional movements.

The parties, politicians, electoral officials, and NGOs are aware of these weaknesses. Just after our research trip, the law was amended to address two weaknesses. First, most provisions of the law were extended to the regional movements and political organizations. Now they too are supposed to choose candidates and leaders via internal democracy, for example. Second, the number of signatures required to form a new party or movement was increased. National parties now need to collect a number of signatures at least equal to 3 percent of the number of people who voted in the previous national election (about 250,000 signatures) and regional movements have a parallel requirement for the region.

The party law does not affect the formula for electing legislators, which contributes to the large number of undisciplined parties. The Peruvian system of open-list proportional representation allows parties with a small vote total to win representation, thus encouraging a proliferation of competitors. The new law does impose an important threshold for representation (5 percent of the national vote or 5 percent of the seats in more than one region), which has led to some parties losing their registration (17 parties were de-registered after the 2006 election). Working counter to the reduction of the number of parties, however, is the rule that allows all parties that form part of an alliance to retain their registration if the alliance as a whole meets the 5 percent requirement. A final issue affecting the number of parties is the district magnitude, defined as the number of seats elected in a district (region in the case of Peru). Under the current system the district magnitude is much smaller than it was under the rules in place until 2002, which called for a single national constituency (with a district magnitude of 120). Since there are fewer seats to allocate, parties need more votes to win under the new rules, thus discouraging participation by small parties. Still, the high magnitude in Lima (35 seats) gives small groups an important incentive to compete.

Peruvian Political Parties in Comparative Perspective: Fitting Typologies

Based on our research plus a review, the scant literature on the organization of Peruvian political parties (especially the works by Orsini and Meléndez), and the theoretical overview by Gunther and Diamond (2003), we offer a short review of party types in Peru. Gunther and Diamond base their typology of political parties along two broad continuums: the formal organization of the party and its temporal emergence. On the organizational dimension, they distinguish between organizationally "thick" and organizationally "thin" political parties. They argue that some parties have few—if any—formally organized bases of support and use particularistic networks instead. Other parties develop mass support by relying on either pre-existing or created formal institutions. Regarding the temporal dimension, Gunther and Diamond (as well as Meléndez) classify parties depending on whether they emerged during earlier historical periods or if they are relatively new on the political scene. This two-dimensional typology results in five major types of political parties and fifteen specific subtypes:

1) *elite-based*: traditional local notable or clientelistic
2) *mass-based*: Leninist or class-mass (socialism), plural-nationalist or ultranationalist (nationalism), and denominational or fundamentalist (religious)
3) *ethnicity-based*: ethnic or congress
4) *electoralist parties:* personalistic, catch-all, or programmatic
5) *movement parties:* left-libertarian or post-industrial/extreme-right

Gunther and Diamond also consider the parties' programmatic commitments and their strategic-behavioral position as important dimensions for classifying parties, although these two criteria are regarded as secondary to the parties' degree of organization and temporal emergence. Other authors disagree with this emphasis. Kitschelt and his co-authors (see Rosas, Zechmeister, Hawkins and Morgenstern) (2009) focus on "programmatic structuration" and contributors to Janda's (2000) world surveys of parties focus on the temporal dimension.

According to Kitschelt and colleagues, parties and party systems are programmatically structured when politicians compete for the popular vote offering citizens policy alternatives that they commit to enact if elected to office. Authors in this study used surveys of Peruvian legislators in the late 1990s to show that there has been little ideological consistency or "among party members and that the parties in general lack "programmatic structuration". The legislators also fail to attach substantive meaning to partisan dimensions. Hawkins and Morgenstern (2009) find, for example, that the parties separate from one another on only two of eight questions about economic policies or priorities. They also show that the members of the parties do not even agree with one another about where on a left-right scale their own parties position themselves. Rosas (2005) sophisticated statistical analysis yields a similar result: "Brazil, Ecuador, and Peru have legislative party systems that are only minimally organized along substantive dimensions, " The Peruvian parties, as a result, rank among the lowest in Latin America in terms of programmatic structuration (Rosas 2010).[5] APRA, Peru's only party with "thick" organizational capacity, is no exception as it has been led by charismatic figures over a long period of time and exhibits a high degree of flexibility in terms of programmatic commitment and tactical alliances (Kitschelt, Kirk A. Hawkins et al. 2009). The fact that Peru's best institutionalized party has little, if any, ideological and policy consistency further supports the notion of a party system deficient in terms of programmatic structuration.

Moving to the temporal dimension, it is easier to separate the Peruvian parties, but still disagreement as to the best dividing line. Meléndez (2007)) uses the return to democracy in 1980 to separate the parties, but a contributor to Janda's comprehensive survey of parties around the world, Christina Orsini, uses 1962 as the dividing line, when a new constitution was written. She then focuses on which parties have continued and those that have collapsed, an important distinction given the fleeting nature of many parties in Peru. A third potential delineation would be 1990, since that is when Fujimori took power away from the traditional parties and the era of outsider presidents and party fragmentation gained prominence. In what follows, we are mindful of the three different potential time divisions, but mostly focus on the party types and the stability of the parties.

All of these potential classification systems are "ideal types" implying that no country or parties fits easily into the rigid categories. In what follows, therefore, we briefly review the main parties in Peru and discuss their (sometimes uncomfortable) placement in the categories.

Old parties

APRA is an exception to many of the rules about Peruvian political party in Peru. First, unlike its competitors, it has much older roots and is the only one that has achieved a semblance of institutionalization. It was created in 1924 and its historical leader, Victor Haya de la Torre, was instrumental in the transition to democracy in 1979. De la Torre died before the 1980 election,

1. [5] Of the 12 countries studied by Rosas, only Bolivia, Brazil, and the Dominican Republic rank lower than Peru.

however, and though party splits hurt their electoral chances, the party has sustained itself under several leadership changes. Unlike others, therefore, it has built an organization and public following that is not fully dependent on the personality of a single leader. It won its first presidential office in 1985 under Alan Garcia, and despite a disastrous term in office, the party (led by a rival to Garcia) still won the most votes of any party in the first round of the 1990 election (though that was only about 20 percent of the vote). It lost the 1990 election, but after a decade under Fujimori, Garcia staged a comeback by pushing APRA to accept a different economic model (neoliberalism) than what he had espoused in the 1980s. He lost a close election in 2001, but won in 2006. In addition to being noteworthy as Peru's first mass party, it also is known for its reformist [center-left] ideology, populist appeal due to its anti-imperialist rhetoric, and strong organizational capacity. Its original bases of support came from students, labor, and marginalized middle sectors. Despite being banned for close to 20 years, APRA remains the only Peruvian political party with a "thick" organizational structure.

The return of Alan García to the political scene in 2001 gave APRA newfound support which, combined with its organizational capacity, allowed the party to reposition itself in the electorate. Thus, according to the Gunther-Diamond typology of political parties, APRA can be classified as a mass-based party with relatively stable bases of popular support. It's lack of a clear ideology, however, also pushes it in the direction of an "electoralist" party as well. The party does have a history of ties to the center-left, but Garcia's change from his support of populist economics during his first term to orthodoxy in his second is evidence of this electoralist classification.

Acción Popular (AP) was founded in 1956 as a mass party directly opposed to APRA's reformist goals. Its bases of support included youth progressive groups and regional professional organizations (Melendez 2007). Fernando Belaúnde Terry was AP's founding leader and presidential candidate in 1956, when the party was in its embryonic stages, and in 1962 when the elections where nullified by the military. Since then, the party's electoral performance to date has been marked by two periods: one in which it had strong support in the electorate (1980's) and the current period in which it has attracted little electoral support. The AP perhaps best fits in mass-based party category, although its bases of support are not stable and it is a party in clear decline. The Partido Popular Cristiano (PPC) was founded after a split within the leadership of the Christian Democrats in 1966 due to differences in principles and values (Melendez 2007). Since then, then PPC participated in local elections winning the City of Lima. During the 1980's, the PPC was an important political actor allied to the AP government (1980-1985) and controlling two ministries. Prior to Fujimori, the PPC joined the AP and other independent movements to form the Democratic Front which obtained significant representation in both chambers of Congress. The 1990's represented a downturn in PPC's political involvement, although it always maintained its presence and, currently is the third most important party in Peru. In relation to the Gunther and Diamond framework, we could classify the PPC as a mass-based, religious political party.

New parties

Most political parties that competed in the 2005 Peruvian congressional and presidential elections (or are expected to compete in 2011) were created recently., and most have had only fleeting electoral success. Founded in 1990's during the anti-politics movement, Peruvian new political parties formed around particular issues and personal leadership. As a result, these new

parties failed to incorporate well-defined policy appeals, favoring the rhetoric of independence and autonomy that distanced them from the existing political class. A recent study suggests that a common characteristic of these parties is that they face a challenge to achieve institutionalization which is evidenced by their unstable bases of support (Melendez 2007). Many of these parties have changed their names, political symbols, and formalization processes after their first incursion in the electoral arena.

In 2006, there were 6 parties that were formed in recent years and gained legislative seats by winning at least 4 percent of the vote: the Unión por el Perú (UPP, which included the Partido Nacionalista Peruano, PNP), Unidad Nacional (UN), The Alianza por el Futuro, the Frende de Centro (an alliance of smaller parties), Perú Posible (PP), and Restauración Nacional (RN). These new parties all have a clear personalistic dimension, and could be classified as electoralist-personalistic parties in the Gunther-Diamond framework. A good example is the Alianza por el Futuro. It grew out of Fujimori's personal parties that he created for his two general elections (Cambio 90 and Cambio 95), and Fujimori's daughter continues to lead it. Alejandro Toledo created Perú Posible for his election bid in 2000, in which he lost to Fujimori. After Fujimori resigned, however, Toledo won in a runoff against Aprista, Alan Garcia. But, in 2006 Toledo was off the ballot and the party could not even promote a presidential candidate; it did present a list for the legislative election, but won only 4. He has positioned himself to run in 2011, and the party is expected to do well.

Other new parties are expected to compete in 2011. Fuerza Social, for example, was created in 2006 and its candidate (whom we interviewed) won the mayor's office of Lima in 2010. It has tried to eschew the centralism of other parties, and is formally composed of several regional movements. A former Lima mayor, Luis Castañeda Lossio, leads another new party, the Partido Solidaridad Nacional, towards the 2011 election. This party was founded in 1999 with a center-rightist ideology, and ties to social democracy. As such, it joined Union Nacional for the 2006 election, a coalition that also included the Partido Popular Cristiano and Renovación Nacional.

The final new and significant party/alliance is the UPP/PNP. The UPP was founded in 2001 but won only about 4% of the vote. Then, after joining with the even newer PNP in 2005, it became the largest group in the legislature and almost won the presidential election. It has, at least in part, tried to avoid the label of a personalist party, although the prominence of its leader, Ollanta Humala, does force the party towards the populist or personalist model. Still, it has attracted peasant organizations such as the coca producers, which gives it some identification as an ethnic-based political party, and with ties to teachers' organizations formerly aligned with the left, and it espouses a nationalist ideology. Finally, it seems to have better organizational roots in many provinces than the other new parties, with functioning meeting houses. These traits suggest that the UPP/PNP has the potential to develop as an ideologically based party that can institutionalize and outlive its leader. It ran serious challenges for the previous elections, but its support has waned, even though Humala is still its leader.

Socio-Economic Context

As noted, Peru has had a history of violent conflict, and several recent developments signal the risk of a return to social conflict.. Starting in the 1980s the country's bloody war with the Sendero Luminoso (Shining Path) cost tens of thousands of lives. The level of violence,

however, decline precipitously after the government's capture of the group's leader, Abimael Guzman, in 1992. New conflicts, however, have raised concerns about renewed violence.

In the last decade, Sendero and other groups have claimed credit for several terror attacks. Notably the group was blamed for a bombing outside the US embassy in Lima just before a visit by president Bush in 2002. There have also been numerous attacks on Peruvian police and defense forces, as well as retaliatory raids on Sendero camps. Peruvian defenses continue to hunt for and arrest Sendero leaders. These incidents keep the country on alert.

The most serious conflicts in recent years, however, have been more tied to government polices, socioeconomics, and culture than to Sendero. The policies of Presidents Toledo and García have produced economic growth, but poverty rates remain high and socioeconomic inequality has worsened. As part of the plan, these presidents have worked to attract private investments, and have thus offered land concessions for oil and gas exploration, mining, biofuel crops and logging. This has led to conflict, because many of these land concessions are superimposed on towns, farms, and natural parks, some of which occupied by peasants or indigenous groups. The problem has been aggravated by the fact that many of the landowners do not have formal titles to their land and the policies have been imposed by the central government without consulting with the regional governments (Partlow 2008; Palacín Quispe 2009; The Economist 2009). Further, the groups continue to claim that they would get no benefits from the land concessions.

This tension exploded in June, 2009 when, after two months of strikes and blockades, armed confrontation between indigenous groups and the police provoked several dozen casualties in Bagua. After this violent clash, other indigenous groups participated in nationwide strikes to support the Indigenous populations of the Northern Amazon, and tensions continue to run very high. According to some analysts, the Nationalist Party led by the populist leader Ollanta Humala is manipulating the indigenous populations in order to destabilize the García government (Hearn 2009). It also seems possible that the local indigenous groups will form their own political parties, given the ease with which parties can form.[6] One indicator of this is the rise of Cajamarca's Father Marco Arana, co-founder of a human rights and environmental foundation and severe critic of the current neoliberal economic policies, as a possible presidential contender. In any case, the increasing tensions between the state and indigenous populations serves the political objectives of Humala, who claims to speak for the poor who do not reap the benefits of the economic growth.

The Bagua conflict raises several concerns. First, it suggests a significant possibility of dangerous government-society conflicts, as the result of neoliberal economic policies and persistent poverty. There are four subsidiary issues: 1) Humala is a serious contender for the

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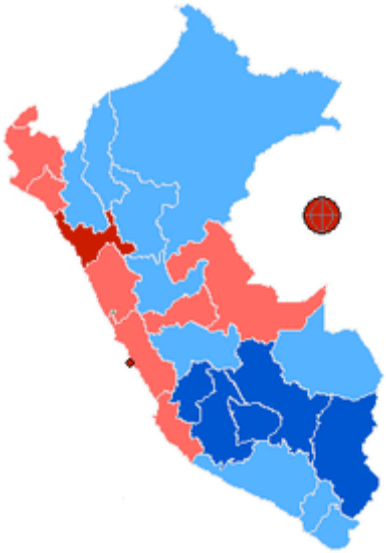
[6] According to Birnir Birnir, J. K. (2004). "Stabilizing Party System and Excluding Segments of Society?: The Effects of Formation Costs on New Party Foundation in Latin America." Studies in Comparative International Development **39**(3): 3-27.

, before 1993 each party had to be registered as an organization in at least half of the country's 25 districts. This perhaps limited the indigenous population from forming a party, as the groups are concentrated in only 11 districts. After 1993 this spatial requirement was dropped, but in exchange there was an increase in the signature requirements for new parties, which rose from 100,000 to 400, 000. Still, the first Peruvian indigenous party did not appear on the electoral scene until 1999, and then only in local elections. Birnir argues that a plausible explanation of this delay is that ethnicity has been very weakly politicized. This party, the Movimiento Indigena de la Amazonia Peruana (MIAP), was originally formed in 1980 as a social movement organization (named Asociacion Interetnica de Desarrollo de la Selva Peruana; AIDESEP), and it won 12 mayoralties in the 2000 elections. Van Cott, D. L. (2005). "Institutional Change and Ethnic Parties in South America." Latin American Politics and Society **45**(2): 1-39.

presidency, and if he wins there will likely be a serious change to the economic model. 2) To date that conflict has been confined to rural areas, but poverty rates in Lima are very high, too. 3) The Bagua conflict also suggests possible racial/ethnic conflicts, as it pitted indigenous groups versus the government. 4) Significant regional/ethnic parties could gain national influence, especially that the tension in Peru is coming at a time when there is a trend of such parties forming and competing successfully in other parts of the Andes These last two scenarios could have explosive implications, especially since approximately 45% of Peru's population identifies itself as indigenous. Further, Humala's support is relatively concentrated in the non-industrialized parts of the country, which generally coincides with greater indigenous concentrations. Figure 1 shows that in 2006 Humala won several provinces in the south with at least 2/3 of the vote, and also won the northern non-costal provinces. His current support has dwindled, but this regional imbalance does suggest the potential for future inter-regional or perhaps ethnic conflicts.



Geographic distribution of Second Round votes, by winning candidate.
Alan García, >67% of valid votes Alan García, between 50% and 67% of valid votes
Ollanta Humala, >67% of valid votes Ollanta Humala, between 50% and 67% of valid votes

Figure 1: Geographic Support of Presidential Candidates, 2006

In sum, while Peru is currently stable, there are important underlying tensions that have exploded in limited arenas. To limit their spread, however, it is crucial that the political system (and USAID programs) address the persistent poverty and work to enhance representation.

Economy

Peru's economic model has resulted in uneven economic growth and several associated problems. The high concentration of political and economic power in the capital city consolidated a system "center-periphery" with important development gaps between rich and poor regions. The centrality of Lima was accentuated in the second half of the twentieth century following the demographic growth, the resulting urbanization, and the model of economic development that favored the industrialization of the metropolitan region of Lima. The center concentrates industrial forces, capital, and services. The secondary centers (Arequipa, Trujillo, Chiclayo, and Iquitos) can hardly compete with such an economic density. (About 8 million live in Lima; less than 800,000 live in the second biggest city, Arequipa.) The periphery is formed by different regions that together represent 97% of the national territory but only 57% of its GDP. The economic life of these regions focuses on primary (agriculture, fishery) and extractive activities (mining), without value-added processing. Since these types of products drive the periphery economies, industrialization and job production have lagged. Abetting this problem, until Fujimori's neoliberal reforms, these industries were heavily taxed in an effort to finance the industrial development of the center (Gonzales de Olarte 2000).

While perhaps exacerbating Peru's centrism and failing to reduce poverty and inequality, the neoliberal reforms have been associated with ending the hyperinflation of the 1980s. Further, despite the constant political instability, the economy of Peru has grown without interruption since 2002. The Peruvian economy grew more than 4 percent per year between 2002 and 2006 with a stable exchange rate and low inflation. Then the growth rate increased to 9% per year thanks to the rise in world prices for minerals, metals, and textile exports. As a result, foreign investment is pouring into Peru. Though his mismanagement had disastrous economic consequences when he was president in the 1980s, in his current guise President García has maintained a commitment to open markets, and the economy has continued to grow. Impressively, the national poverty rate by about 15% since 2002.

In the past decade, two important reforms, the Canon Law (2001), and the Basic Decentralization Law (2002) have accelerated economic and political decentralization and regionalization. Under these reforms, regional and municipal governments are primarily financed from taxes collected directly at the regional level as well as revenues collected and then distributed by the central government. These revenues include both standard income taxes as well as a Municipal Promotion Tax. The reform also, importantly, regulates the "canon," which is the revenue from natural resources exploitation. The canon funds primarily support the municipal governments, while the general fund is directed to the regional level governments. As a result of these transfers, the participation of subnational units in total public spending increased noticeably going from 16.8% in 2002 to 30% in 2008.

One concern with this system is that not all regions or municipal governments benefit equally under this system. At least 20% of the regional budgets of Moquegua, Tacna, Loreto, and Ucayali, for example, come from the canon, and with the high price of minerals they have done very well. The regions of Amazonas, Apurimac, Huanuco, Lambayeque,Madre de Dios, and San Martín, by contrast, have not benefitted since they receive very few returns from the canon (Vega Castro 2008)).

In spite of the recent moves towards some political and economic decentralization (discussed in more detail below), the system is still centralized. The populist politics of Fujimori led to a concentration of powers at the center, and the growing urbanization and industrialization policies have shifted the balance of economic power away from rural areas. That said, mining and petroleum are still important engines of the economy, and taxes and royalties on these resources is central source of revenue (Roberts 1995; Gonzales de Olarte 2000).

Despite governing over this impressive economic performance, García scores poorly in opinion polls (frequently under 30% approval, and much worse in some regions of the country). The economic growth has produced wealth at a much faster pace than it has reduced poverty (poverty remains at a rate of 40%). Unemployment also remains high and underemployment is rampant. And not all the regions are equally benefitting from this period of growth. While Lima, the Pacific coastal strip, and most of the north of the country are thriving, the poorest regions in the country (especially the agricultural Andean region in the south) have not reaped the benefits of this unparalleled growth. In the Southern Andean region poverty reaches 70% of the population and many Andean Indians are still engaged in subsistence farming. According to Pontifical University of Peru economist Efraín Gonzales, "inequality is greater than before. And the serious reforms that would bridge divides, particularly for those in the rural Andes who are most cut off from the expansion, have taken a backseat to continuing economic growth" (cited in Miller Llana 2008). A series of infrastructure projects in the regions that would connect the rural areas to the modern economy have been hindered by a lack of efficiency and human capital. This uneven development has led to resentment and a series of protests across the country. The General Confederation of Workers has led strikes to demand a better distribution of wealth across the different regions (Miller Llana 2008; Partlow 2008; The Economist 2008a), and this inequality has produced clashes between Alan García and the governors of the poorer regions in the country, such as the governor of Puno, Hernán Fuentes (The Economist 2008b).

Some economists praise the macroeconomic policies of President García, arguing that he has resisted the temptation of implementing popular but irresponsible policies. Other analysts criticize García for expecting economic growth to solve all the problems and for not taking concrete actions to fight against poverty and inequality. In any case, the macroeconomic policies adopted by García have made him lose popular support, thus giving hope to the presidential candidacies of Keiko Fujimori and the populist leader Humala. These leaders support vastly different economic policies; Fujimori would likely continue neo-liberal economics, while Humala could move the country sharply to the left. That said, if Keiko Fujimori's father is a guide, and Garcia is a model, then predicting a Peruvian president's economic policy is a high-stakes gamble.

It is notable that political support is related to the economic disparities. As we showed above, in the 2006 election Humala got most of his support from the Southern Andean regions that are not reaping the benefits of the economic growth. This seems to indicate that the uneven economic development may have serious political consequences.

Summary of Factors Driving Peruvian Politics

It is beyond the scope of this project to offer a complete review of Peruvian political history, but Table 2 summarizes important political dynamics in recent times by noting the general level or concerns with democracy during different time periods, important changes to the legal or institutional framework, social-level factors that drove politics, and important political dynamics. Overall, in the wake of Fujimori's 1992 self coup, the system has settled into a system of multiple and weak political parties. APRA is the one partial exception to this rule, given its continued, but moderate strength in recent presidential elections. While its candidate won the second round handily, in the first round Alan Garcia won just 24 percent of the vote and the in the Congressional elections of 2006 APRA won only 21%. Very notable in terms of the changes to the party system has been the rise of the "regional movements" and "political organizations" that operate as subnational parties. These tenuous and fleeting groups add complexity to the party system, and limit the parties' ability to extend their reach. It is notable that these institutions have grown in response to changes in party laws that support their existence. The large number of parties is also tied to electoral laws that permit small groups to maintain their registrations. Still, given the recent success of outsider or anti-party candidates, tinkering with electoral thresholds and the like would probably be insufficient to engender a more stable party system.

At the social and economic levels, Peru has made some important advances, though it continues to face serious challenges. Since the stabilization policies of the early 1990s, the economy has grown significantly, and high commodity prices have supported recent advances. Still, poverty and unemployment are very high, especially in the periphery. These factors have supported center-periphery conflicts, most notably the violent clashes in Bagua. The clashes, in turn, have worked to support regional movements and a "nationalist" or populist party, the UPP, led by Ollanta Humala. That party won the first round of the 2006 presidential election, and garnered 45% in the second round. Recently, however, his support has waned.

ANALYSIS

Because they are struggling for political survival and short-term electoral gains in an environment of volatile political support and a changing political rules, most of the multiple political parties and regional movements have not yet institutionalized their organizations. As a result, they generally fail on many evaluative measures related to representation, governance, and oversight. Most political organizations have shallow roots in society, leadership below the national level is ephemeral, and channels between officials and citizens are weak at best. Political parties and regional movements are poorly organized below the national level, and do not have the means to adequately incorporate societal diversity in their leadership or policy discussions. Finally, political organizations are weak and ineffective in governance, failing to uphold institutional interests or meet citizen needs reliably.

Table 2: Historical Political Dynamics

Periods	Level of Democratic Development	Institutional Factors	Social Factors that Define Political Organization	Political Dynamics: important issues that shape politics
1980-1992	1. **Stable but weak democracy**	1. Fragmented party system 3 main blocs: AP and PPC in the right; APRA in the center, and Izquierda Unida in the left 2. Bicameral legislative system 3. Open-list PR	1. Class-based party system 2. Outsider politics: Fujimori victory 1990 A. Labor unions declined in importance B. Urbanization increased the number of informal workers	1. Sendero Luminoso established in 1980 2. Economic crisis in the 1980s: 3. Center-periphery economic system with large development gaps
1992-2000	1. **Democratic setback**: Self-coup of Fujimori in 1992 2. Quasi-authoritarian presidentialism 3. Democratic elections, 1995 (Fujimori re-elected)	1. Change from a bicameral to a unicameral system; basis of representation changed from 26 multiple-member constituencies to one national constituency; Lower house reduced from 180 to 120 2. Open-list PR 3. New constitution with mechanisms of participatory and direct democracy	1. Violence reduced with capture of Sendero head, Abimael Guzman in 1992	1. Fujimori: anti-party and populist rhetoric 2. Hyperinflation ended with orthodox economic shock 3. Center-periphery economic system with large development gaps 4.Extractive industries continue as important engines of the economy
2000-2010	1. **Democracy without parties**: In 2001 Toledo won only 37% of the votes in the first round and his party, Peru Posible, entered the legislature with only 38% of the seats. 2. In 2006 Garcia won just 26% of the votes in the first round; 3. Congress is composed of seven alliances (and many more parties) are represented in the current legislature, and the president's party only control 36% of the legislative seats 4. Fragmented party system at four levels: national, departmental, provincial and district	1. Return to the use of 25 multiple-member constituencies 2. Open-list PR 3. Party Law of 2003: new spatial and threshold requirements to form national parties, but encourages sub-national party formation/1 4. Party Law of 2009: attempt to reduce number of parties but still allows parties in alliances to retain their registration 6. Canon Law (2001) and Basic Decentralization Law (2002) both pushed rapid and significant economic decentralization but produced extremely uneven regional economic development (and resulting conflicts)	1. Regional (rural vs. urban) and ethnic (indigenous vs. non-indigenous) cleavage: 2009 bloody confrontation between indigenous groups and the police in Bagua (Northern Amazon) 2. Conflicts give support to nationalist and regionalist parties and movements 3. Local indigenous groups allowed to form their own political parties	1. Fujimori's legacy supports A) anti-party rhetoric and outsider presidential candidates (e.g. Toledo, Humala) B. Continued use of executive decrees 3. Sendero Luminoso much reduced, but not absent (2002 bombing outside the US embassy) 4. Stable, growing economy (neoliberal policies) but continued high unemployment and poverty 5.Continued center-periphery conflict over distribution of economic benefits 6. Land conflict associated with the extractive industries such as mining, biofuel crops and logging—causing the 2009 confrontation in Bagua

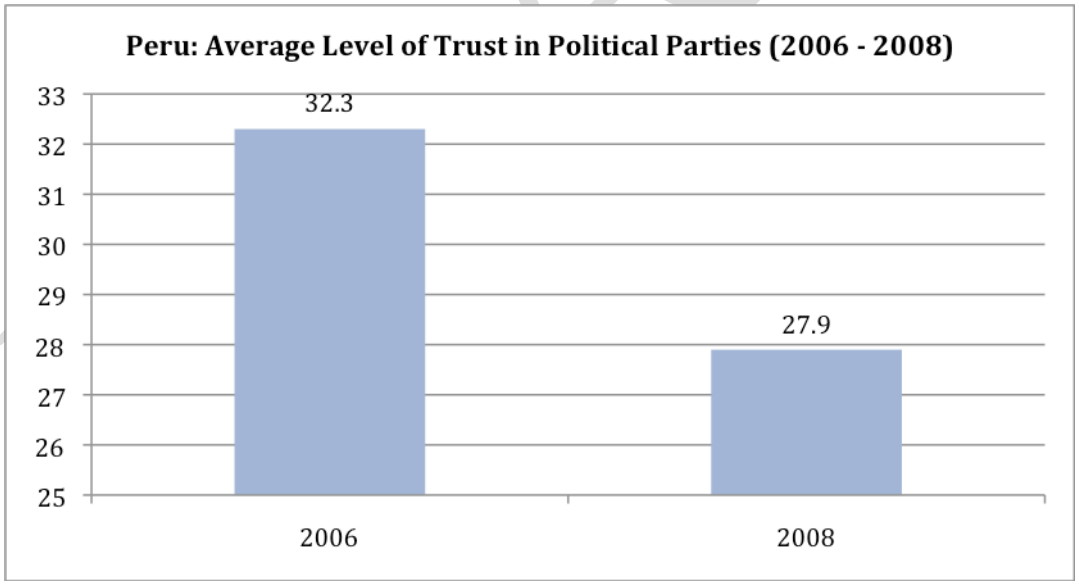
/1. The electoral thresholds have been modified several times in this period.

Parties in the Electorate

In this section we analyze parties from the point of view of the voters. We thus analyze the bases of their support of the system and of individual parties. A central part of this analysis is the support of parties versus the regional movements. A central conclusion is that the political parties and regional movements fail to perform their accountability and representation functions adequately. These political organizations generally lack programmatic focus, meaningful organizational presence among voters, communication channels with voters, and knowledge of citizen interests below the national level. As a result, trust in the institutions is very low and political turnover is very high.

National political parties are among the lowest-rated institutions in Peru, surpassed in the lack confidence only by Congress itself. Figure 2 shows the very low and declining percent of the public expressing either little or no confidence in political parties. This decline, importantly, is unrelated to the economy, which has been growing in recent years. There is no comparable confidence rating for regional movements. The presence of national parties and regional movements in the electorate is generally weak. Moreover, the poor view of the parties will make it difficult for the parties or the movements to increase their presence and engagement.

Figure 2 – Trust in Political Parties



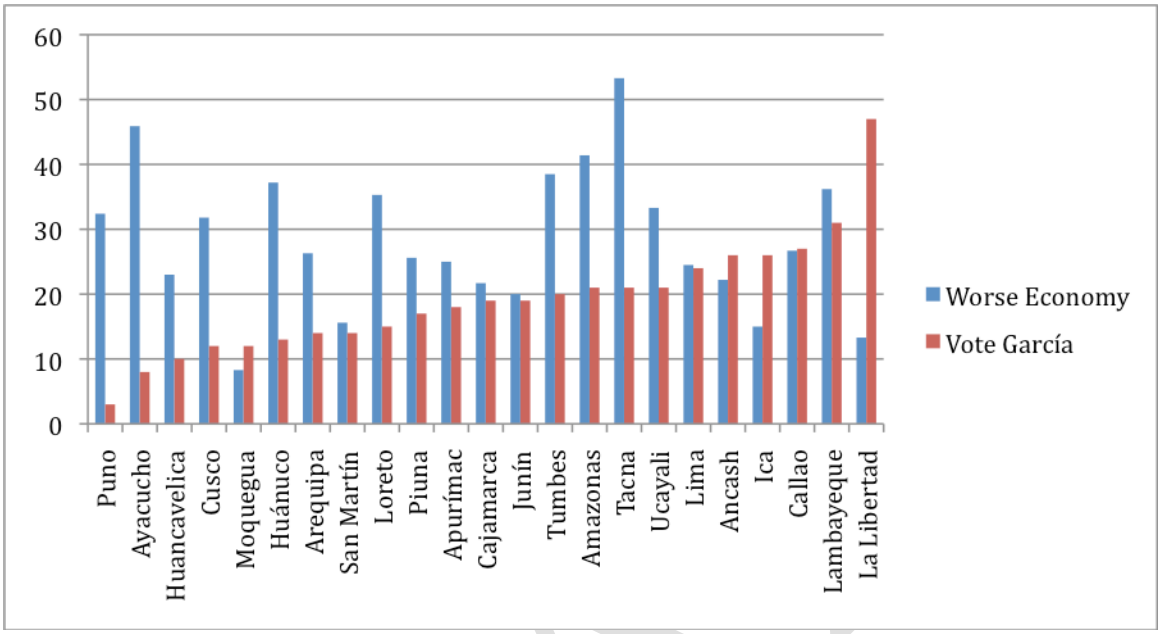
Source: LAPOP

Preliminary analysis of retrospective voting indicates that there only a weak relationship between voters' evaluation of the economy and Garcia's vote share (Figure 3). Some regions do show the expected relation; in Puno and Ayacucho a large segment of the population responded to the survey saying that the economy had worsened in the last year and less than 10 percent of the respondents supported Garcia for president. In other regions, however, the support for Garcia was considerably stronger, in spite of large percentages of the respondents answering that the

economy had worsened. Other factors, such as the percentage of indigenous voters, then, probably explain the vote better than the president's economic platform.

Figure *3* – Retrospective Voting

"In the last 12 months, has the economy improved, gotten worse, or stayed about the same?"



Source: LAPOP survey question (2006)

The parties' weakness in the different regions of the country is clearly demonstrated in an analysis of their support in elections for regional governors (presidentes regionales) and regional legislatures (consejos municipales). In these elections voters choose a single closed list of candidates, and the head of the largest list becomes governor. In 2002 the national parties did very well in these elections, carrying 16 of the 25 elections. In 2006, by contrast, they won just four.

There are two commonly accepted reasons for the national parties' failure in 2006. First, the national parties' general unattractiveness to voters is especially pertinent to regional elections. Regional party leaders took this view, arguing that they eschew the national parties attempts to join forces, because national parties are distasteful to voters. Our analysis of vote returns, however, shows that this assumption is overstated.
Table 3 shows the sum of the main national parties support in the 2002 and 2006 elections at the regional and national levels. As a group the national parties did lose vote share in 2006, but they still won 45% on average. This is down from 63% in 2002, but the national parties were still competitive as a group, winning at least 40% of the vote in 18 of the 25 regions.

Second, what harmed the national parties in 2006, then, was the timing of the regional elections. In 2002 regional elections took place in November and national elections followed in April 2003. As a result, the national parties organized in the regions to support their national ambitions. In 2006, however, the timing was reversed. In that year the national elections were in the April preceding the regional contests. As a result, the parties failed to marshal their forces for the contests.

Table 3: **National Political Party Vote Shares, 2002 and 2006***

Department	2002	2006	Difference
Amazonas	74.5	79.3	-4.8
Ancash	84.1	27.3	56.8
Apurimac	47.6	44.4	3.2
Arequipa	81.3	52.4	28.9
Ayacucho	67.9	51.0	16.9
Cajamarca	89.2	44.2	44.9
Callao	62.3	15.8	46.4
Cusco	68.4	64.8	3.6
Huancavelica	40.7	28.0	12.7
Huanuco	48.9	35.9	13.1
Ica	94.5	65.5	29.0
Junin	51.4	28.1	23.3
La Libertad	84.1	86.1	-2.0
Lambayeque	89.1	33.4	55.8
Lima	94.9	46.0	48.9
Loreto	26.6	41.3	-14.6
Madre de Dios	42.0	47.1	-5.1
Moquegua	57.8	47.3	10.5
Pasco	51.3	48.5	2.8
Piura	80.7	56.3	24.4
Puno	13.3	42.0	-28.7
San Martin	69.4	34.6	34.9
Tacna	49.9	40.7	9.2
Tumbes	64.3	22.4	42.0
Ucayali	37.5	50.5	-13.1
Averages	62.9	45.3	17.6

Parties included for 2002 are: Accion Popular, APRA, Somos Peru, Peru Posible, Unidad Nacional, and Union por el Peru. The 2006 column includes these same parties plus Si Cumple (Fujimorista), Fuerza Democratica, and Partido Nacionalista Peruana.

The other continuing problem for the national parties is fractionalization. The data in Table 4 shows that this was a more serious problem than was the weakness of national parties per se. The average vote for the regional presidencies was just 32 percent, and in most districts the national parties as a group scored considerably more than that. But, by dividing the vote, they lost 21 of 24 regional contests. This is not to suggest that these parties are likely to form coalitions, but to discount the idea that national parties cannot win votes in regional elections.

Table 4: National Parties' Vote in the Regions, 2006

	Fuji	APRA	PNP	UPP	PP	RN	FD	AP	UN	SP	Total	Winner
						Vote Percentage						
Amazonas	7.8	13.1	13.2				26.8	18.4			79.3	26.8
Ancash		17.6	3.7	4.4		1.6					27.3	*28.3
Apurimac	22.9	11.4	7.7				2.4				44.4	27.0
Arequipa	1.1	17.1	9.3	3.4			20.2	1.3			52.4	34.9
Ayacucho	17.1	18.9	15.0								51.0	25.2
Cajamarca	4.5	14.6	7.9	6.4				6.8	4.0		44.2	29.2
Callao		7.8	4.2						3.8		15.8	49.6
Cusco	1.7	11.7	8.9	32.6		10.0					64.8	*32.6
Huancavelica		7.2	5.3	5.4		6.3		3.7			28.0	26.6
Huanuco		13.9	5.6	5.8				3.5		7.2	35.9	27.0
Ica	5.7	22.0	21.6	4.3	5.3			6.5			65.5	32.1
Junin	2.7	9.8	3.5	4.0		5.7			2.4		28.1	25.8
La Libertad		48.0	10.5	7.1	11.5		9.0				86.1	*48.0
Lambayeque		18.7	3.3	2.4	4.6	2.5			1.9		33.4	39.6
Lima	3.5	20.3	5.6	7.8					8.8		46.0	20.3
Loreto		4.0	2.0	1.9		24.9		8.5			41.3	41.0
Madre de Dios		9.2	15.4	8.4	3.0			11.1			47.1	33.5
Moquegua		26.4	9.3							11.5	47.3	26.9
Pasco	10.0	17.7	7.6			5.1				8.0	48.5	25.5
Piura		24.7	10.8						20.7		56.3	*24.7
Puno		15.5	8.1	7.0		7.4		4.1			42.0	18.8
San Martin		22.7	7.8	4.1							34.6	44.5
Tacna	9.1	11.6	11.1			7.4			1.5		40.7	32.7
Tumbes		17.2	0.9		1.0				3.3		22.4	32.8
Ucayali		12.8	30.6		1.2	5.9					50.5	34.1
Average	7.8	16.6	9.2	7.0	4.4	7.7	14.6	7.1	5.8	8.9	31.5	31.5

* winning national party

The voting data point to a further weakness of the party system: the high level of electoral volatility. Some volatility can point towards voters holding incumbents responsible for their performance. In Peru, however, the violent swings in voter sympathies suggest fickle preferences and the parties weak roots in the electorate. Even if we survey the data in the post-Fujimori period, we see sharp gyrations in support. For example, voters reduced the party that carried Toledo to the presidency, *Peru Posible,* from 26 percent in 2001 to just 3 percent in 2006.

A further concern with the parties is their limited reach. This is evident in data demonstrating party nationalization, or the homogeneity of the parties' support. The concern here is when parties' support is concentrated in a few regions they may fail to reach out to all voters and that public policy will be distorted.

A simple measure of nationalization is the standard deviation of a parties' vote across districts. A small standard deviation indicates that the party received a similar level of the vote in all districts, thus indicating a nationalized party. Table 5 portrays the standard deviation and the average vote for the main parties in the elections of 2000, 2001, and 2006. It also provides the average vote for each party, such that the standard deviations can be standardized. It shows that

the Fujimoristas, for example, won an average of 42% in each district in 2000, but that average was the result of fairly wide variation. Specifically, the standard deviation indicates that the party's vote ranged between 34 and 50 percent in about 2/3 of the districts. In this case, they won just 27% in Moquegua, but 57% in San Martin. The winner in 2001, Peru Posible, won an average of 26 percent. In that case the range was even larger, indicating an even less nationalized party. They did not compete in Piura and won just 13% in Tumbes, but tallied 52% in Amazonas. In 2006 there were two strong parties, Garcia's Apristas (PAP) and Humala's UPP. Both of these parties, again, showed much more strength in some regions than others. The Apristas support ranged from 3% (Piura) to 45% (La Libertad), while the UPP support varied from 10% (La Libertad) to 54% (Ayacucho).

Table 5: **Nationalization of Party Vote, 2000-2006**

	Fujimorista	**Peru Posible**	**PAP**	**PSN**	**FIM**	**Somos Peru**	**PNP/ UPP**
2000							
Avg	42.0	22.1	5.2	4.5	5.7	9.9	2.9
Stdev	8.3	5.9	3.7	3.4	4.4	8.1	3.1
stdev/avg*100	19.7	26.7	72.3	76.6	77.3	81.4	107.6
2001							
Average	1.9	25.8	18.1	13.0	9.9	6.9	6.4
Stdev	2.0	9.9	9.3	4.8	4.2	5.3	7.5
stdeve/ avg*100	106.6	38.5	51.4	36.5	42.9	77.5	117.3
2006							
Avg	9.7	3.0	18.9	12.5	1.2	7.9	26.6
Stdev	6.0	2.9	8.6	4.9	1.8	4.1	10.3
stdeve/ avg*100	61.6	96.4	45.5	39.0	148.8	52.7	38.9

Figures 4 and 5 provide another indicator of the weak nationalization of the parties. Only two parties, APRA and the PNP competed in elections in all regions in 2006. The chart arranges the regions according to the vote received by the parties in the national elections (blue line) and compare that with the vote won in the regional elections (red line). The charts show a clear relation for the APRA, but there is little evident relation for the PNP.

Figure 4 – APRA Vote in National and Regional elections, 2006

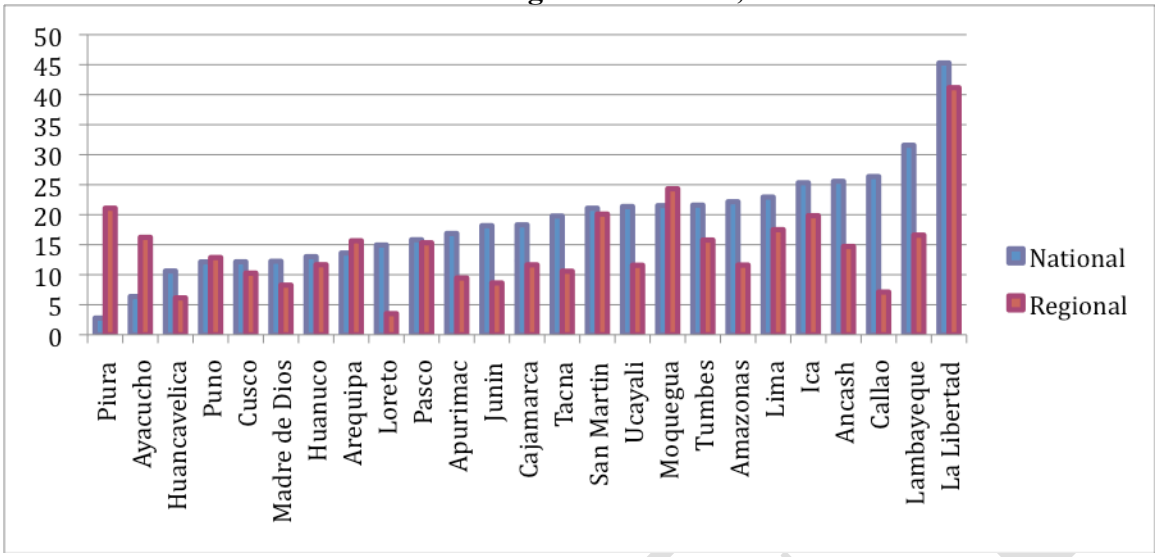
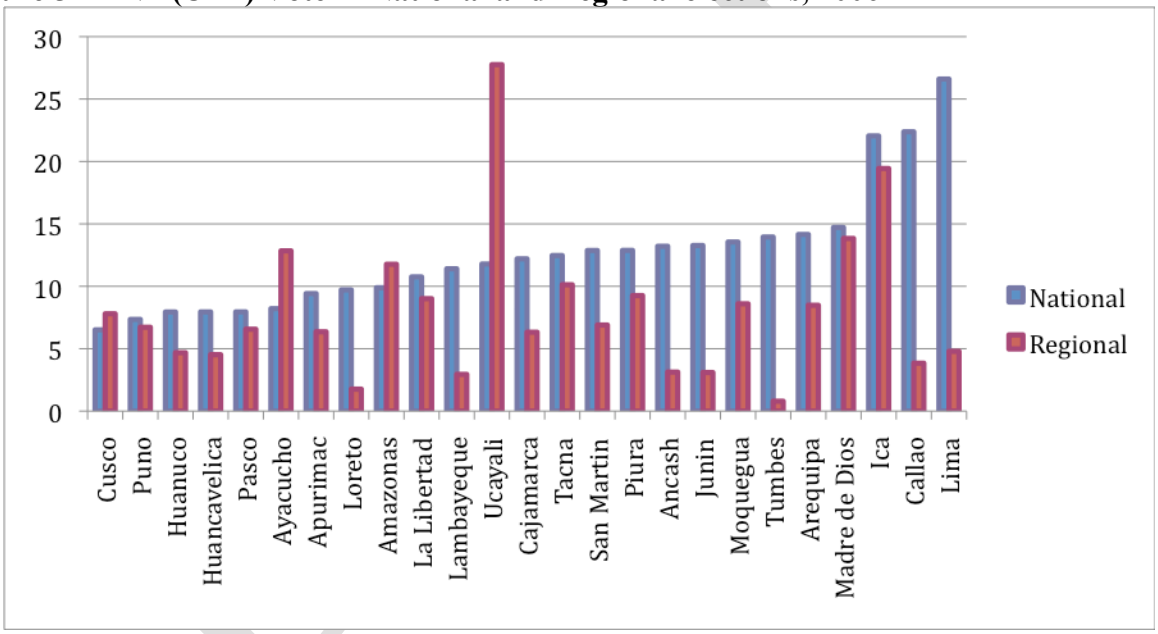


Figure 5 – PNP (UPP) Vote in National and Regional elections, 2006



Moving from nationalization to the parties' links to voters, we found that the national parties have limited connections to citizens. This is manifested in the very infrequent trips of legislators to visit their districts, the lack of party (or individual legislator) district offices, and the very low reelections rates. The national political parties have few if any party offices outside of Lima, with the exceptions of APRA and of late PNP. The parties might maintain a public presence in some major cities through the personal offices of whatever party members were elected in regional, provincial, and district elections, but party organization activities lack staff, communication, and physical space. For most parties, the only offices they have are directly tied to people elected under a party's banner that still maintain a connection to that party. Most

national parties set up campaign organizations at election time. Of noteworthy exception is APRA's *casas de pueblo*, which can be found in large cities in its traditional stronghold of the north and central coasts, and smaller offices in major cities like Arequipa in the south Andes. A more recent exception to this may also be the PNP, which has been setting up party offices in many regions. At the legislator level, the only notable exceptions to the lack of district offices were the four pilot offices that an IRI program is supporting.

Of course parties can tie to citizens in other ways, through associating themselves with labor unions, social groups, or citizen movements. While we saw little evidence of these ties either, our study failed to focus sufficient attention to this issue.

There are several potential causes for the parties and legislators limited contact with voters. First, multi-member districts reduce both the ability of constituents to hold 'their' representative accountable and also the pressure on representatives to represent 'their' constituents. Second, the dominant president limits the legislators' ability to serve constituent interests. Relatedly, in the constitutional reform of 1993, the legislators lost the ability to target money for public works or other projects to their districts. Without these types of funds, the citizens have fewer incentives to approach their representatives. Next, the small legislative budget, which is partly an outgrowth of a country's level of development, harms these relationships, because the legislators have limited budgets with which to travel or maintain district offices. Finally, aside from the institutional causes, it is also clear that when the parties lack elected leaders in a region, they will also lack party organization. As a result, when the national parties lost most of the regional elections in 2006, they also lost their already limited organizational capacity at the subnational level.

It is important to note that the regional movements provide the potential for an alternative mechanism for representation of citizens' interests. Especially given that the regional governments have grown in terms of their authority and control over budgets, in theory citizens should be able to link to their governments through regional movements and local-level politics. While our assessment did not thoroughly investigate this linkage, we did not see signs of a healthy movement-citizen dialogue. Among the most important signs of this weakness is the constant turnover among the movements. Some of the candidates gain popularity for actions unrelated to politics, and then the politicians do not stay in their positions for long. More important for representation is that the movements die when their leaders end their (local) political career.

Outreach of the national political parties to women, youth, and other marginalized groups is similarly problematic. The electoral law mandates inclusion of women in candidate lists, and that does seem to have spurred an increase in female legislators (now almost 25%) and outreach by parties. However, in some cases it appears that the parties evade the rules, placing women relatively low on open lists, which signals the party's preferences and reduces the chance they will actually be elected. APRA has a particularly active youth wing. Few if any indigenous candidates represent the national parties at the at the regional or provincial levels.

The parties also devote scant resources to identifying citizen interests at the national or regional levels. No party has internal capacity to field surveys, organize focus groups, or analyze information to guide party strategy or policy positions. IRI's subgrantee Calandria is working with the national political parties to develop this capacity, however, and in the coming year will work closely with many of them to field and analyze surveys. Other channels for identifying

citizen needs and interests are not viewed as effective. One channel is the wide use of *mesas*, or roundtables, which bring together elected officials, bureaucrats, and civil society leaders to discuss specific social issues. These mesas, however, are primarily linked to local government or other parallel structures, not to parties. For example, the *MCLCP* is a parastatal effort at the regional and national levels supported by NDI, and IRI's program successfully facilitated an important *mesa* on health policy. Parties and their elected members do not attend many of the meetings or actively participate, unfortunately, nor do officials have staff members with relevant expertise to send on their behalf. The *mesas* also do not attract the full spectrum of civil society, and are dominated by elite-led NGO leaders; the the community leaders commonly engaged with *frentes* or social organizations at the local level are generally uninvolved. The *frentes* constitute a separate and in some ways parallel discussion of societal needs, but their origin in local levels where parties have no organization, their sometimes radical or protest-oriented in nature, and their suspicion of NGOs have kept them on the margins of national or region-level discussions. It should be noted that the lack of participation by *frente* or other community leaders is not the result of closed *mesa* processes, rather it reflects the positions of those leaders vis-à-vis established political actors and the state,

Other behaviors by both national political parties and regional movements have been problematic for engagement with citizens. With the partial exceptions of APRA and possibly PNP, parties do not present coherent platforms or policy positions other than generally-understood orientations. Thus, APRA has identifiable positions on a host of social policy and foreign affairs issues, although there has been some discontent within the party that it has moved rightward on economic issues under pressure from the global economic crisis. The policy positions of the PNP are somewhat unclear. On the one hand it has staked out an oppositional strategy, and is thus unwilling to support most government positions. On the other, however, there was evidence that the party has begun to show a more moderate face, at least to middle class and urban voters. Tellingly, two of the party representatives that we met in Arequipa were local businessmen, one a doctor, one an owner of upscale clothing store. Other than those two national political parties, citizens can only draw on general orientations, i.e., PPC will generally hold conservative positions on social issues, the *Fujimoristas* will favor greater centralization and promote internal security, etc., but they may not even be able to discern specific policy differences between parties during election campaigns. Regional movements perform no better, as many focus on vague appeals to better futures or increased regional development, or simply represent opposition to the political dominance of Lima-based national parties.

As in Ecuador and Bolivia, there is one potentially new cleavage dividing the parties: ethnicity. The depth and political relevance of this societal division are clear in the coincidence between recent violent clashes (see discussion about Bagua above) and the rise of Ollanta Humala as a strong presidential candidate. While Humala's support has fallen (as of summer 2010 it was below 10% in some polls), the success of indigenous parties in neighboring Ecuador and Bolivia, combined with the very large population that identifies itself as indigenous in Peru, suggests that ethnicity could produce a potential divide in the future.

The inability of citizens to differentiate between parties on policy issues also stems from the personalistic nature of national political parties and regional movements. The dominance of the executive branch and the related weakness of the legislative branch together act to produce political competition largely focused on achieving or at least sharing executive power at the national level. In combination with the discrediting of political parties and the lack of

organization below the national level, parties must recruit local notables as candidates for both national and regional elections. The strategies of both parties and regional movement in 2006 hinged on bringing in candidates with some broad public name-recognition, but the success of those efforts depended more on the recruitee's estimation of election success probability than on policy affinity. For example, one Piura man had been a PPC candidate for the regional council in 2002, but in 2006 he switched to UPP (and lost anyway). As this indicates, the connection between recruited candidates and their putative political homes is ephemeral, based on the exigencies of election campaigns, not meaningful policy interests. The effect at the national and regional levels is shifting political identity and alliances, so that caucuses in Congress experience frequent defection and re-negotiation, while regional officials play no role in local organization-building activities and drop affiliations when convenient.

The recruiting process has already begun in advance of the 2010 regional elections, as regional elected officials reported that parties were aggressively scheduling visits. One development that has become more marked since 2006 is that the list of potential candidates for the parties has broadened to include people who have made their reputations leading protest actions and confrontation. This poses a problem for the national political parties (and maybe even more so for the regional movements), as protest leaders are far less likely to welcome an affiliation with established political actors but may have much stronger standing in their communities than more traditional notables. This suggests a possible shift since the 2006 regional elections—and the intervening Bagua protests—where no indigenous candidates were successful in winning the regional presidencies. Surprisingly, even the Humala's party did very poorly in those regional elections, winning no regional presidencies and only 10 provincial mayors' offices (5.1%).

Among the parties, APRA is an obvious exception to this organizational deficit, but even it must recruit viable candidates to fill lists at the regional, provincial, and district levels, particularly in regions where it has not had a meaningful presence. PNP seems to be evolving into a party that is both personalistic in the form of Ollanta Humala – the party flag is a stylized 'O' and his face – and organized below the national level. PNP, however, is adopting a slightly different strategy than in 2006, due as much to its still-developing organizational structure as to its desire to differentiate itself from the established political parties: it is not recruiting candidates under its banner for regional elections, rather it intends to endorse individual candidates selectively, perhaps through the straightforward means of photos of candidates with Humala himself. It is also trying to forge some alliances with the regional/local groups, sometimes creating new group names that associate the local/regional leaders with the national party. In this way, it avoids the cynical political scrum of recruiting, it can still generate useful political connections, and it conserves its limited financial and organizational resources for the national elections six months later. An interesting question for the 2010 elections will be where the PNP creates formal alliances and runs its own candidates, and where the party supports candidates from other parties without a formal affiliation.

A final major problem with the role of Peruvian political organizations in the electorate is that institutional features have distorted the organizational lifecycle. One manifestation of this that was mentioned frequently is the relative ease of establishing regional movements in comparison to a political party (see above). This means that regional notables can set up their own political vehicle with little cost, snubbing political parties or increasing their leverage in negotiations with parties. These regional movements can also be quite personalistic, and officials elected under a regional movement banner have ephemeral connections to the organization, too, as with political

parties. If regional movements are easy to begin and end, political parties are somewhat more difficult to start up and even more difficult to kill. The party law does establish a threshold of electoral success to avoid de-registration for individual parties and party alliances, but even with the new reform it is just 5%.[7] The application of the threshold to alliances is especially problematic, however. First, the threshold is the same, which is unusual – in some countries alliance thresholds are 2-3 times the level for a single party. Second, all parties in an alliance survive if the alliance as a whole meets the threshold, so for example it is possible that 8 parties could each attract ½% of the vote and keep their registrations. So, when it comes to creating and ending political organizations, neither political parties nor regional movements have incentives to develop public support and organizational depth to compete for political power.

On a positive note, voter fraud and coercion do not appear to be problems in Peruvian elections.

Parties as Organizations

Both political parties and regional movements have limited organizational capacity, albeit in different ways. Legal requirements for internal democracy have been widely implemented, but these processes are not always meaningful given the large number of candidates needed for lower-level elected positions and the lack of party organization infrastructure. Neither parties nor movements have internal capacity to gauge citizen support or interests, and outreach efforts have been half-hearted.

The national political parties have established organizations at the headquarters level, typically in Lima. There are physical buildings (Photo 1), bylaws, secretariats, internal elections for leadership positions, committees, public relations and media outreach, membership services, and professional career paths within organizations. Besides the headquarters, however, only APRA and increasingly PNP maintain a presence that goes beyond the personal offices of individual elected officials – APRA has their *casas de pueblas* in some major cities in addition to physical offices in others, and PNP has been setting up offices in some of its stronghold areas.

Photo 1 – New PNP office in Chivay district, Caylloma province, Arequipa region

[7] Raised from 4%.

Clearly, for most parties, the presence of offices outside of Lima has been dictated by successes in the last elections. Given the very poor showing of the national parties in the 2006 elections, the number of regional offices may be at a low ebb. There is, then, a vicious cycle. The parties cannot build their regional strength without regional offices, but they cannot build those offices without stronger electoral support.

While the lack of offices hinders the parties' ability to organize, they are fighting against a trend of anti-party attitudes. The regional movements even eschew contacts with the parties, because they have negative implications for elections. The PNP and the *Fujimoristas* have some advantage here, because they are viewed as anti-party alternatives. As a result, they could work towards building their organization, and there is some indication that the PNP is attempting to do so. For the groups tied to Fujimori, however, we did not find evidence that the latter were developing an organizational structure outside Lima. In fact one *Congresista* from the Fujimori caucus scoffed at the notion that building a national party structure was even necessary.

Photo 2 – Mural in Piura

Regional movements by their very nature maintain an organizational presence below the national level. These organizations tend to be rather small in size and basic in structure, reflecting not just the more limited breadth of political ambition, but also the ephemeral commitment of the leadership to their own regional movements. Indeed, at least one elected official we interviewed saw the regional movement as a convenient vehicle for the last elections, which may or may not be the best vehicle for the upcoming elections. Another regional movement was essentially a personalistic organization, even after the founder's untimely death in 2008. It is fully expected that some current elected officials will jump between parties or between a party and a regional movement.

Political parties are ill-equipped to develop a significant organizational structure below the national level, and it is debatable whether the parties desire to do so even in light of their losses in the 2006 regional elections. Setting aside a party's difficulty establishing a presence where it has no elected officials, the political parties have only recently begun grappling with how to identify citizen interests and develop communication strategies. The current IRI program is providing research training to parties through its partner, Calandria, on surveys and focus groups.

Parties should have adequate research capacity in time for the 2010 regional elections, most certainly in time for the 2011 national elections. Regional movements have no such capacity, nor are training programs available to them. Another IRI program component works with four *Congresistas* to set up district offices and develop media outreach strategies, but this is such a small number that it is at best a model to other deputies for the future. Regional movements have no dedicated communication or media outreach capacity, nor are training programs available to them. Political parties are able to utilize sophisticated marketing and advertising expertise for election campaigns, however.

The party law mandates internal democracy for candidate selection at all levels. ONPE and the current IRI program have provided substantial amounts of technical assistance to parties for implementation of this requirement. The sheer number of candidates needed leads the parties to offer candidacies to people who lack clear ties to the party, so that the internal democracy process may be nothing more than a formality if there are barely enough candidates to field a complete slate. Other processes merely served to signal the party leadership's preferences, not necessarily local preferences, while high-level leaders triumphed in sham elections. Quotas for women and youth candidates drove parties to seek them out, but many ended up in lower positions on slates, and thus were not elected to office; again, it should be noted that no indigenous candidates were elected.

One major issue for organizational development of political parties is the unimplemented party financing aspect of the party law. The executive branch is blocking this, and, given the global economic crisis and the unpopularity of parties, is likely to benefit politically from maintaining this position. Parties rely on general membership dues, elected official dues based on a sliding scale, and cash or in-kind donations from corporations. Even something as basic as district offices, which ceased to exist after Fujimori changed to electoral system to multi-member districts and cut Congress' budget, could only be funded with difficulty: the office in Arequipa is being funded by the deputy's own small Congress office budget, which raises questions about the sustainability of this effort.

Parties in Government

Political parties do not determine the legislative agenda, do not act as effective watchdogs on other governmental branches, do not provide coherent and constructive opposition, and do not function as authoritative organizations. The executive branch is the major political actor in Peru. Regional movements fare little better, but the ongoing process of decentralization has fueled a growing gap between citizen expectations and government performance.

As noted, Congress, like political parties, is deeply unpopular. The executive branch in Peru essentially controls the legislative agenda, for constitutional and practical reasons. Constitutionally, only the executive branch has legal authority to submit a budget bill, Congress can only amend that bill on a zero-sum basis, i.e., any changes in one ministry's budget must be offset by changes elsewhere. If Congress does not pass the budget by a certain deadline, then the proposed budget passes by default. The result is that parties and deputies try to work with ministries during budget preparation to insert projects or activities that they favor, or engage in horse-trading once the budget has been proposed.

On a practical level, parties in Congress are at a tremendous disadvantage vis-à-vis the executive branch. Research capacity in the legislature is limited to a small number of Congressional analysts and what few experts the larger parties and caucuses can afford. A related problem is that the bulk of information needed for analysis is held by the ministries, as well as the policy expertise, so Congress is overwhelmingly reliant on the goodwill and cooperation of the executive branch for access to important information. One legislator we interviewed described the situation as 'going begging for information' from the ministries, as they routinely ignore requests.

Other legislation could and does originate in Congress, but the lack of research capacity and access to ministerial information present severe limitations on the quantity and quality of legislative proposals. In addition, the APRA party of President Garcia was able to form a government, and so presumably should be able to dictate the legislative agenda in Congress itself. The reality of the legislative agenda in Congress is slightly different, though. The government is made up of 5 APRA members, 9 technocratic independents, and three members from parties in Congress that voted for the government, i.e., a cabinet that does not reflect the party arrangement in the legislature (see Table Appendix 1). The government composition is an indicator of not just public favor for outsiders, but perhaps the lack of credible partners among other political parties.

There is no coherent legislative agenda other than what the executive branch wants, stemming from the twin facts that APRA does not have a majority or even a stable majority coalition in Congress, and that there is no coherent opposition due to the large number of parties with representation in Congress. Majorities for passing bills are constructed through ad hoc coalitions, e.g., the *Fujimoristas* will join APRA and Unidad Nacional to support economic reform bills, but APRA may find different partners for social policy bills.

Other issues with parties include the lack of sanctions on party-jumpers, a particularly vexing problem for parties that relied on the strategy of recruiting candidates from outside the standing party leadership or membership. For example, the UPP/PNP alliance has been racked by party-jumpers, dropping from 45 to just 8 legislators since 2006.

The regional level presents a completely different set of governance issues for political organizations. Peru is still a unitary, not federal, state, despite the extensive decentralization that has taken place. The national budget contribution to the regions is significant, and those regions with extractive industry royalties enjoy much larger budgets. In some ways, however, the extra resources have served to fuel the expectations of citizens for performance by regional governments. Three problems act together to thwart expectations. First, the center still retains substantial authority over the regions, as would be expected in a unitary state. This extra step in expending budgets, though, slows down public investment. Second, all significant projects must be approved by the Ministry of the Economy and Finance (MEF), which may reject projects for bureaucratic, practical, or even political reasons. Elected regional officials expressed tremendous frustration with what they viewed as nonsensical bureaucracy that prevented them from meeting the needs of their citizens. Third, there are planning and administrative capacity deficits at the regional level, and in fact USAID's decentralization program provides training and technical assistance to build such capacity. Interviews with government personnel, legislators, and outside analysts indicated that the quality of project planning was sometimes quite poor, and that often the proposed projects were large construction efforts like stadiums intended as political trophies.

Capacity issues can also be exacerbated by the lack of relevant professional or even administrative experience on the part of political newcomers in regional movements.

The decentralization process in Peru has gone far, but it has not ended and center-region relations are still in flux. Indeed, regional movements have altered the political landscape at the regional level. Regional movements themselves are in a constant state of change, as are the ever-shifting alliances between local notables and political parties in advance of every election.

Summary of Party Development Goals

An alternative way to analyze the parties is to consider them from the vantage point of broad development goals. The Conceptual Framework from which we worked suggests four broad goals, plus an intermediary goal of improving the parties' organizational and technical capacity. To this point we have reviewed these issues by considering them from the point of view of parties in the electorate, in government, and as organizations. Here, then, we simply reorganize the issues but refrain from adding additional commentary (Table 6).

Table 6: Summary of Party Development Goals

Party Development Goals	Conclusion
Accountability, Representation, and Participation	▪ Poor support/trust for parties ▪ Limited retrospective voting ▪ Limited ties between national and regional parties, and low nationalization (and hence representation of local issues by national parties) ▪ Limited partisan identification and resulting high electoral volatility ▪ Poor contact between parties (or legislators) and voters ▪ Limited outreach to women youth, and marginalized groups ▪ Electoral quota law has increased number of women in legislature, but continued discrimination ▪ Incoherent party platforms
Governability & Good Governance	▪ The dominance of the executive branch helps to produce political competition largely focused on achieving or at least sharing executive power at the national level. ▪ Electoral law gives incentives to form electoral alliances. These are common, but not sustained over time. ▪ Multiparty forums (some supported by USAID programs) to consider party and other reforms perhaps aid inter-party dialogue
Stable Party Competition	▪ Unstable parties with weak roots in society; This is exacerbated by the multiple regional movements that have weak (if any) ties to national parties ▪ Members of congress frequently change parties
Free and honest elections	▪ Competition is vibrant ▪ Limited complaints of corruption
Party Organization and Technical Capacity	▪ Internal democracy is part of legal framework, but processes are not always meaningful ▪ Party law created public financing, but president refused to implement ▪ Little capacity (or funds) to build citizen support through outreach (eg few regional offices) ▪ APRA has deepest organizational framework. PNP has made attempts to institutionalize and gain regional representation. These attempts, however, are limited by the focus on the party leaders. The Fujimoristas also have regional presence, but they seem very reliant on the leader (and his family) ▪ Institutional features have distorted the organizational lifecycle; too easy to form regional movement vs a political party ▪ Parties and legislatures have limited research capacity, esp. vis-à-vis the executive

FINDINGS AND PROGRAM RECOMMENDATIONS

Challenges and Weaknesses

Though operating within the context of an open democratic system, Peru's political party system suffers from multiple interrelated challenges and weaknesses.

First, political parties largely fail to provide voters clear and programmatic options during political campaigns. With the exception of APRA, to a degree the PNP, and some small parties that oppose neoliberal economics, political parties are not programmatic, in fact it is difficult to identify more than basic political orientation for many. Parties lack or have eschewed the means for identifying citizen interests and conducting mutual communication. The chaotic competition for voters pushes parties to chase personalities that rise above the dull political roar, i.e., protest leaders or a small set of the usual local notables, instead of taking policy positions or addressing local interests. The resulting fragmentation of voters reduces the credibility of elected officials and increases the likelihood that citizens will revoke them for partisan reasons.

Second, political parties are largely failing to perform their roles in the exercise of power. The Peruvian legislature is weak and ineffectual, due to a constitution that favors the executive, a limited budget and a concomitant lack of personnel, and multipartism that hinders decisiveness. Weak party loyalty and the weak position of the legislature vis-à-vis the executive hobbles Congress' ability to uphold its interests in the political system. The result is an institution where legislators do not want to build a career. Completing the vicious cycle, most therefore serve only one term and thus have little incentive to foster the development of the legislature or the party institutions.

Third, the ongoing process of decentralization of political authority has further weakened national parties and promoted the development of weak regional political organizations. The lifecycles of political parties and regional movements are seriously distorted, as parties are able to survive longer than would be the case in many political systems, and regional movements are far too easy for regional politicians to establish and abandon. At the same time, uneven administrative capacity in the regions, increasing regional budgets, and the strong role of the Ministry of Economics and Finance often create a mismatch between citizen expectations and governmental achievements.

Finally, the inadequate channels between citizens and elected officials exacerbate the increasingly violent episodes of social conflict related to governance or extractive industry issues. At the level of electoral politics, decentralization and increasing budgets have raised the stakes for holding political power, providing both an outlet and a catalyst for local power struggles. To increase the legitimacy of local and regional leaders, a new law requires a second round of elections when no party wins majority support. This will increase the legitimacy of winning party, but it will not necessarily reduce the electoral conflicts. Other citizen-state relations also fail to generate meaningful communication between officials and citizens. The *mesas* or *frentes* have some potential to generate productive dialogue, but to this point they seem to have reinforced the gap between societal demands and state action.

Recommendations

Peru's political parties, regional movements, and party system face many weaknesses, many of which are potential targets for development aid. Although there are no formal limits on freedom of expression or political competition, the system of representation is deficient. Our recommendations, therefore, focus on improving programmatic competition and partisan links with voters. Towards this end our paradoxical recommendations for strengthening political parties (or movements) focus less on working with parties directly and more on targeting party behavior indirectly through changing incentives and institutional features. In other words, without reforms of the system, aid to individual parties—while much needed—will be offset by the strong forces working against the development of highly functioning parties.

1. The political party law provides perverse incentives for the political organization lifecycle. Small political parties do not face a serious threat of de-registration, given current survival thresholds for both individual parties and alliances. Without a meaningful incentive to distinguish themselves, identify societal concerns, and compete for voters on the basis of clear policy positions, parties have little reason to expend resources on building solid organizations. Regional movements are even easier to start up and close down. Compounding the problem of proliferation of both types of political organization is that there are only limited relationships among them, usually based on electoral campaigns.

   Program recommendation: the current program promoting discussion about the party law should be re-focused to address the impact of the law on the number of political organizations. Among the issues affecting this outcome are the low barriers to entry for new parties and regional movements, rules for individual parties and alliances to maintain their registration, and the timing of regional and national elections.

2. Political parties and regional movements have limited capacity and levels of institutionalization. Political parties tend to have standard and adequate organizations at the national headquarters level, complete with well-established bylaws, committee structures, career paths, and so on. Below the national headquarters level, though, the parties' presence is manifest only in the personal offices of elected officials, not in organizational depth; as noted, APRA and possibly PNP are partial exceptions to this. Regional movements have their organizations at the regional level, of course, and so maintain more of a presence than national political parties. These organizations, though, are based on at most a handful of personalities, and lack the kinds of capacity found in parties' national headquarters. Some even lack offices. Without a meaningful incentive for regional elected officials to build an organization, develop an identity, and encourage career trajectories through a regional movement, they will be debilitated by party-jumpers, fickle voter loyalties, and stunted administrative capacity. Combined with the pursuit of political personalities of suspect affinity, both types of political organizations suffer from an ephemeral institutionalized presence in the regions.

   Program recommendation: the current program to develop the capacity of national political parties should be reduced to providing technical assistance for research capacity, which appears to be both necessary and successful, until incentive changes proposed here are implemented and there is evidence that political organizations are interested in developing more solid institutional frameworks. If training must continue, then the current program

should make expanded use of video conferencing to increase the number of trainees. Programs are currently limited due to the high costs of bringing larger groups into Lima.

Current programs have no activities aimed supporting the organizations of local or regional movements due to the uncertain nature of these groups and the need to avoid the perception of picking winners. It is recommended that relevant organizational capacity-building activities be shifted to the decentralization program, i.e., augmenting existing administrative capacity-building programs, so that it could be targeted at elected officials regardless of political organization.

3. The legislature is weak and ineffectual due to a power asymmetry favoring the executive branch, limited resources, and a lack of appropriate institutional incentives. While constitutional change is beyond the scope of a political parties program, changes to legislative rules and practices could strengthen the legislature and the representative process. Congress has very limited research capacity, with most analytical work coming from professionals employed by the largest party caucuses. Besides capacity, Congress finds it difficult to gather necessary information from ministries, which can ignore requests with impunity because the legislature does not wield effective budget authority. Roll-call voting records are not readily available to Congressional caucuses, party leadership, or the general public, thus eliminating the most basic means for holding *Congresistas* accountable to the voters or perhaps by party leaders. The weak loyalty of some deputies to their caucus or party reduces the ability and desire to strengthen one branch of government at the expense of another. One final aspect is the non-implementation of political party financing as spelled out in the party law, which hobbles initiatives by parties and deputies to staff their offices adequately; financing has been blocked by the executive branch, and it should be noted that parties are among the most unpopular institutions.

   Program recommendation: As with the first finding, discussions among political parties should be re-focused to address the institutional interests of Congress to oversee the executive branch and to strengthen constituent relations. Discussions should include ways in which Congress can use existing formal and informal policymaking processes to limit the reach of the strong executive, improve the legislators' or parties' ability to provide constituency service, and the problem of party-jumpers. The legislative branch needs more robust research capacity, as well as a stronger and more enforceable access to information from ministries. The House Democracy Partnership is already engaged in helping Congress create an organization like the U.S. Congressional Research Service, and may be a valuable partner for promoting stronger access to information. Moreover, existing electronic voting systems should be augmented via technical assistance to provide a searchable database of voting for use by political leadership and the public. The program should consider political will to publicize and systematize this data. If party financing were to flow to Congressional caucuses it could help enforce party loyalty among deputies. Better party unity, combined with more access to information, and renewed ability of legislators to funnel resources to legislative districts, could help augment public support for legislators and the legislature. Parties must also work to improve their direct relationship with constituents. The current district office effort should provide a good model and sufficient impetus for the parties. Hampering this effort, however, are the legislators inability to bring resources to their constituents and limited abilities of the legislators to help constituents with bureaucratic

bottlenecks. Finally, parties lack a consistent source of funds for their regional/district offices.

4. There are parallel discussions going on among different segments of civil society, neither of which help political organizations identify societal interests. The parastatal *mesas* have largely been a venue for elite-led NGOs, with sporadic participation by political parties and state bureaucrats. A completely different set of policy conversations is happening through *frentes*, with little if any participation by state bureaucrats above the provincial level and none at all from the national political parties besides PNP; it is not clear to what extent regional movements are engaged in *frente*-based discussions. The NGOs may provide significant expertise and capacity in policy discussions, but they are not rooted in communities of citizens the way *frentes* are.

   Much of the social protest can be tied to leaders within the universe of *frentes*, which also have legacy connections to the former *Sendero Luminoso*, one reason established political organizations shy away from engagement with them. The result is a limited set of discussions among established policy actors on policy issues that could achieve some consensus, and a different set of discussions among politically-marginalized actors on much more contentious issues.

   Program recommendation: First, the current program to promote discussion and policy development for regional interests has been successful, but should be expanded to include a separate track for the variety of social organizations; the two tracks could be overlapped in later years. Of course overriding the possibility of working with some of these organizations is the political and pragmatic concern of whether to engage groups that have been associated with violence. Second, expand the current program to include a series of issues discussions by experts, elected officials, and community leaders. One way to do this is through a combination of multi-page newspaper pullout sections, radio or TV debates, and text message reminders to all cellphone users, perhaps monthly leading up to both the regional and national elections. In combination with the ongoing effort to build the research capacity of political parties, this recommended program should lead to better identification of societal interests and improved programmatic approaches.

Political parties and regional movements have many organizational deficiencies, and the volatile electoral situation works against initiatives that encourage the parties to develop internal democratic structures, serve voters, represent interests, carefully analyze legislation, or fulfill other objectives of party building programs. Our recommendations, therefore, are meant to influence party behavior through a focus on survival incentives, stronger institutional prerogatives for the legislature, and public discussion of societal interests; regional movement and party officials at the regional level would benefit from capacity-building targeting organizational as well as administrative skills.

INTERVIEW LIST

Civil Society Organizations
Percy Medina (Director Transparencia)
Gabriela Serrano (Directora IRI)
Luis Nunes (Director DNI)
Alfredo Torres (Presidente Ejecutivo IPSOS APOYO)
Rafael Roncagliolo (Director IDEA Internacional en Perú)
Martin Tanaka (Investigador IEP)
Teresa Watanabe (Gerenta de Capacitación, Investigación y Asistencia Técnica de la ONPE)
Gustavo Guerra García (Secretario Técnico de la Asamblea Nacional de Gobiernos Regionales)
Henry Pease (Prof. Universidad Católica, ex Presidente del Congreso de la República)
José Elice (Director Reflexión Democrática)
Milagros Campos

Political Parties
Includes party presidents, members of congress, past legislative candidates, regional presidents and members of the party and regional movement hierarchy in Lima and two provinces. Total number of interviews: 24

Appendix Table 1– Government Composition

Ministry	Name	Party
President of the Council of Ministers	Javier Velásquez	APRA
Housing, Construction & Sanitation	Ing. Juan Sarmiento Soto	APRA
Justice	Aurelio Pastor	APRA
Transportation & Communications	Enrique Cornejo	APRA
Woman & Social Development	Nidia Vílchez	APRA
Agricultural	Dante Adolfo de Córdova Núñez	Independent
Economy & Finance	Luis Carranza Ugarte	Independent
Education	José Antonio Chang	Independent
Energy & Mining	Pedro Sánchez Gamarra	Independent
Environment	Antonio Brack Egg	Independent
Foreign Relations	José Antonio García Belaúnde	Independent
Interior	Octavio Salazar	Independent (Military)
Production	Mercédes Aráoz Fernández	Independent
Work and Employment	Manuela Esperanza García Cochagne	Independent
Defense	Rafael Rey	Renovación Nacional
Foreign Commerce & Tourism	Martín Pérez	UN Coalition
Health	Oscar Ugarte Ubillús	Humanist

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