

CHAPTER V

CONSTRUCTING DEMOCRATIC GOVERNANCE

The first three general elections after the return to democracy in 1982 were similar in several ways. First, they saw the emergence of a multiparty system that revolved around three parties: MNR, ADN, and MIR. These three parties moved towards the political center and came to endorse a neoliberal economic model that restructured the Bolivian state away from the 1952 corporatist model. Secondly, while opposition to the country's neoliberal reforms emerged by the 1990s in the form of two populist parties—Condepa and UCS—these were principally neopopulist, personalist vehicles and did not offer coherent alternative programs. Moreover, both Condepa and (especially) UCS soon accepted the basic neoliberal framework and accommodated themselves within that political space. Instead, the decade-long period from 1985 until the end of the first Sánchez de Lozada government in 1997 saw a weak, ineffective political left unable to challenge the “systemic” parties at the ballot. In short, this period can be described as a period of institutionalization or consolidation of neoliberal economic and political policies that rested on broad consensus between the three largest political parties.

These three elections (1985, 1989, and 1993) used similar electoral systems. Unlike later elections, these used a simple list-PR ballot that gave voters a single choice. Though the counting formula varied from one election to the next (see Table 3.3), they were more similar to each other than to later elections (1997, 2002, and 2005), which used a mixed-member electoral system combined with a 3% national electoral threshold. Likewise, the apportionment of seats per department (and, subsequently, district magnitude) remained the

same during this period. Additionally, electoral behavior during this period was similar.

Voter turnout remained above 70 percent, though it marked a substantial decline from 1985 figures (see Figure 3.1). For the first two elections, the vote was also heavily concentrated between the three systemic parties, though there was a marked decrease in 1993. The effective number of electoral parties (ENPV) also remained steady (see Figure 3.2); the figures would increase sharply in 1997 and 2002.

The 1985 election inaugurated the “parliamentarized presidentialism” system. As in 1979 and 1980, no presidential candidate won an absolute majority of the popular vote in 1985. Unlike the previous elections, however, the newly elected parliament soon selected a president from among the three front-runners. Additionally, the 1985 “Pact for Democracy” between MNR and ADN provided the Paz Estenssoro government with a legislative majority, unlike the UDP minority government. All subsequent elections would use both the legislative election of the president and formal agreements or “pacts” between parliamentary parties to provide executives with multiparty majority coalitions. As with the institutionalization of neoliberalism, this period saw the institutionalization and consolidation of parliamentarized presidentialism.

Finally, this period still saw all three systemic parties win large vote shares across all nine departments, typically placing them in the top three in every department. The regionalization of party politics had yet to begin. Each election also led to the formation of a government that included at least one of the three systemic parties. Meanwhile, a permanently excluded minority – particularly voters in the rural Altiplano and the city of El Alto – who regularly voted for opposition parties also marked this period. In contrast, the systemic parties continued to consolidate their power in the *media luna*, which increasingly determined the outcome of presidential elections.

The UDP Government and Its Impact

No discussion of the 1985 election is complete without a brief overview of the preceding government. The 1982-1985 UDP government led by Hernán Siles Zuazo was a product of Bolivia's tumultuous democratic transition. Though elections were held in 1979 and 1980,¹ these failed to produce a winner. Instead, each led to an interim government that was to hold power until new elections were scheduled; military juntas overthrew each of these. The period between 1978 and 1982 was also marked by sharp ideological and partisan polarization, with most political figures and parties pursuing a "politics as war" strategy. Neither the left nor the right were averse to pursuing force—military or civilian coups—as a path to political power. Conflictual, polarized politics even reached into the MNR and its central leadership, which splintered into a variety of factions. These factions were driven as much by ideological and personal differences, some of them old political vendettas carried over from the divide-and-conquer policies of the 1952-1964 MNR governments.² Consistently, the three most powerful blocs in the 1979 and 1980 elections were those centered on Siles Zuazo, Paz Estenssoro, and Banzer (who together captured three quarters of the vote).

The Siles Zuazo government installed in 1982 was based on the 1980 election, in which the UDP had won 38.74% of the valid vote—nearly double his two nearest competitors (MNR and ADN) combined. Nevertheless, the Siles Zuazo government was

¹ Elections were also held in 1978, but these were highly fraudulent and the results were not clearly known before a military junta annulled the process, though it seems clear that the military's candidate (General Juan Pereda Asbún) did not win.

² MNR factions included: MNR-H led by Paz Estenssoro; MNRI led by Siles Zuazo; PRA led by Walter Guevara Arze; MNR-U led by Guillermo Bedregal, AFIN-MNR led by Roberto Jordán Pando, and PRIN led by Juan Lechín and Lidia Gueiller Tejada. To the list we can include MIR led by Jaime Paz Zamora, which was born from the MNR's university student wing in the early 1970s. One could also include ADN led by Banzer, who at times described himself and his movement as a continuation of the National Revolution; his dictatorship was partly installed, and support from 1971-1974, by elements of the MNR (including Paz Estenssoro).

besieged from the start. Though the government represented an alliance of leftist parties—most notably MNRI, MIR, and PCB (the Bolivian Communist Party)—it did not enjoy the support of the powerful syndicalist labor movement led by Juan Lechín. Simultaneously, the center-right opposition MNR and the rightist ADN had more legislative seats, making it difficult for the government to forge legislative consensus. All the while, the economic crisis continued to spiral out of control. Facing a hostile labor movement that had declared war on attempts at economic stabilization measures and the fear of a potential coup from the right, Siles Zuazo opted instead to end his term early and called for new elections.

The 1985 Election

The 1985 general election was the first election conducted by a democratically elected government. As such, it marked the end of the transition to democracy and the beginning of the process of democratic consolidation. The election of Víctor Paz Estenssoro to the presidency marked the country's first peaceful transfer of power to an opposition party through a democratic election.³ The electoral campaign was, however, marked by much uncertainty. Bolivia's transition to democracy had been very difficult, and a military coup backed by one or more of the candidates was not improbable. The social chaos and economic crisis—as well as the highly polarized political rhetoric of the campaign—did nothing to alleviate such fears. In the end, however, Bolivia's fragile democracy emerged with a majoritarian coalition government. This government would go on to launch a sweeping economic structural reform program that dramatically changed the Bolivian state and its relations to civil and economic society. In many ways, the 1985 general election marked the end of an era and set the tone for the next two decades. Subsequent elections

³ Power was transferred peacefully in presidential elections during the early Liberal Republic, but none of these would meet the minimum criteria for polyarchy because of their highly restricted electorate.

were conducted under the norms of parliamentarized presidentialism, with the expectation that a president would be elected by parliament, and that he would govern with the support of a multiparty majoritarian coalition.

Parties and Candidates

A total of eighteen parties contested the 1985 election, five more than had contested the 1980 election. Of these, eleven belonged to the Bolivian secular left,⁴ two were indigenous *katarista* parties, one (MNRV) belonged to the center-left, and one (PDC, Partido Democrático Cristiano) was a Christian democrat center-left party. Internal divisions within the former UDP coalition meant that the left entered the 1985 election divided and weakened in the wake of the growing economic crisis. Siles Zuazo's MNRI had split into two factions. Paz Zamora had distanced himself from the UDP government and began to move MIR back to the center-left. Most of the remaining UDP alliance members organized into either FPU (Frente del Pueblo Unido) or IU (Izquierda Unida). In contrast the MNR (center-right) and ADN (right) entered the 1985 election in a stronger position than they had been in 1980. Finally, FSB (Falange Socialista Boliviano) represented Bolivia's far right.

The MNR entered the 1985 general election reunited behind its historic leader, Víctor Paz Estenssoro. In 1980, Paz Estenssoro had suffered the consequences of his party's involvement in the 1 November 1979 coup by Alberto Natusch Busch that had overthrown the interim government of Walter Guevara Arze. In that election, the MNR Paz Estenssoro candidacy lost the support of PRA (led by Guevara Arze) and MNR-U (led by Guillermo

⁴ The Bolivian left has historically been riven by ideological and personal divisions, and has included parties that cover a broad spectrum. Of the eleven party lists classified as "secular left" that participated in the 1985 election, FPU, PS-1, and IU represented various Marxist-socialist positions, while POR articulated the traditional Bolivian Trotskyite position. The remainder represented various other progressive, humanist, social, or nationalist-left positions.

Bedregal)⁵; the party had also lost its alliance with the Christian democrat FDR (led by former president Luis Adolfo Salinas). The reunified 1985 MNR hoped to improve its standing from the 1980 election, when Paz Estenssoro had only won 20.14% of the valid vote, a far cry from 35.88% in 1979, when he had come in just behind Siles Zuazo.⁶ With the UDP in disarray, the MNR entered the 1985 election confident of victory.

Former dictator Hugo Banzer was again the ADN presidential candidate. The former dictator's party had first emerged in 1979 with little expectation of success but had managed a respectable third place finish with 14.88%, which improved to 16.83% in the 1980 general election. The party was heavily identified with the Banzer dictatorship (1971-1978) and represented the Bolivian right against the left and center-left blocs forming around the UDP and MNR between 1979 and 1980.⁷ In its formation, the party also rooted itself in the nationalist discourse initiated by the MNR and as a continuation of the national revolutionary project.⁸ Nevertheless, the party's core support came from sectors of the urban middle class and the party's highest levels of support came from the *media luna*. But in 1985, Banzer and ADN were poised to capitalize on the economic crisis and its discrediting effect on leftist alternatives, especially those that participated in the UDP government.

MIR made its independent political debut in the 1985 general election. The party was founded in 1971 as a merger between the left-wing faction of the Christian democrats and radical members of the MNR's university student wing. Its leader and presidential candidate,

⁵ Bedregal was actually one of the key figures in the 1979 Natusch coup (he served as the brief regime's Chancellor) and his MNR-U included the MNR wing that had actively supported the coup.

⁶ The absolute difference in total numbers of votes for the MNR between 1979 and 1980 was 263,478, roughly half of the total 527,184 votes for Paz Estenssoro in 1979. The difference in votes between the UDP and MNR in the 1979 general election was only 1,512 votes.

⁷ The 1979 MNR alliance included the Christian democratic left and the pro-Beijing communists. Until 1980, the MNR still occupied a relatively flexible center-left position.

⁸ Another important element of the ADN was its formation as a center-right "humanist" Christian democratic movement. For a detailed historical analysis of ADN, see Martha Peñaranda Bojanic 2004.

Jaime Paz Zamora had served as the UDP vice president, though by 9 January 1983 MIR formally abandoned the governing coalition over disputes concerning the government's "timid" economy policy. The move led to a division within MIR itself. The party's left wing, MIR-BL (led by Antonio Aranibar), joined an alliance with other socialist and Marxist parties to campaign as FPU.⁹ This left the Paz Zamora wing (MIR-NM) occupying a center-left, social-democrat position that hoped to distance itself from more radical or socialist left alternatives as the voice of the "moderate" left, while also standing in opposition to the center-right Paz Estenssoro and former-dictator Banzer.

Although the field was crowded with candidates, few had any substantive electoral hopes. Several of these minor parties, however, would go on to play important roles in later elections. Notable parties and candidates included Luis Ossio Sanjinés (PDC), Genaro Flores (MRTKL), and Carlos Serrate Reich (MNRV). Ossio Sanjinés would eventually steer the Christian democrats into an alliance with ADN, becoming the ADN-PDC vice presidential candidate in 1989. Serrate Reich would enter an alliance with MIR during the 1989 elections. Flores was a key figure in the *katarista* movement and one of the founders of the CSUTCB (Confederación Sindical Única de Trabajadores Campesinos Bolivianos), which broke away from the government-run CNTCB in 1977. Finally, the Trotskyite POR (led by Guillermo Lora) would never recover the electoral strength it had in the early twentieth century, though it would go on to play an influential role in the public universities and in the ideological orientation of several of the radical leftist parties that followed.

⁹ MIR-BL went on to become MBL. Other members of the FPU alliance included: MAS-U, PRIN, PCB, and another MIR splinter, MIR-Masas.

The Electoral Campaign

In November 1984, an isolated Siles Zuazo announced his intentions to end his presidency a year early and called for early election. Yet preparations for the 1985 general elections were conducted in an atmosphere of extreme uncertainty in the face of continued social unrest, especially a COB strike on-going since March. Many parties—both on the right and the left—frequently claimed that the election was merely a political maneuver by the Siles Zuazo government. Others, particularly those allied to the COB-Lechín labor movement, denounced the election as a means to return the political right to power. The last few days of the campaign were also marked by fears of a possible military coup.

While available archival newspaper reports of the 1985 electoral campaign are markedly fewer than those for latter elections, a brief overview of the campaign is possible. The 1985 electoral campaign was visible primarily in street manifestations and public rallies, both in the cities and throughout the countryside. Early on, it was clear that the three front-runners would be Banzer (ADN), Paz Estenssoro (MNR), and Paz Zamora (MIR). The three campaigns all focused on the personal qualities and histories of their presidential candidates. The ADN campaign slogan was *“Banzer vuelve”* (“Banzer returns”) and looked to the former dictator’s 1972-1978 bureaucratic-authoritarian regime as a period of comparative social stability and economic prosperity. The MNR campaign emphasized the political experience and historical trajectory of Paz Estenssoro, appealing to the mythos of the 1952 National Revolution. The MIR campaign tried distancing itself from the “irresponsible” Siles Zuazo government and promised a reformulation of the principles of revolutionary nationalism, stressing itself as a “nationalist” left party in contrast to “internationalist” left parties. Neither campaign outlined a specific economic recovery plan, though the ADN campaign most clearly alluded to a reduction in the state’s role in the economy. Both MIR

and MNR frequently referenced Banzer's former dictatorship and described the party and its leader as "fascist" or "anti-popular". Of the three parties, only ADN made infrequent references to a possible coalition government, though the party's spokesmen made it clear that the party would not compromise its core ideological positions.

In contrast, much of the socialist left's campaign attacks were focused in three directions. First, they invariably attacked ADN and MNR—sometimes also MIR—as forces of the right, with frequent references to Banzer's former dictatorship and the MNR's role in the 1971 Banzer coup, as well as Paz Estenssoro's role in the 1980 Natusch coup. Second, they attacked the current Siles Zuazo for betraying the left and for using the election as an excuse to hand power over to the political right. Finally, the parties also attacked each other in attempts to position themselves as the "true" Bolivian left. Overall, the left's discourse demonstrated an extreme personalist and ideological factionalism. With the exception of MIR—which declared that it expected Paz Zamora to win the presidential election—the left made clear that they expected a victory for the right. Several parties and candidates even joined the COB and CSUTCB (whose president, Genaro Flores, was himself a presidential candidate) in calling for a popular boycott of the elections.

The central issue of the 1985 election was the economic crisis—particularly the problem of hyperinflation, which had reached over 20,000 percent by June. Perhaps the only specific difference proposed solutions (again, no party provided specifics) came down to questions of how to handle the country's foreign debt.¹⁰ The MNR, ADN, and MIR all called for a reduction in fiscal spending and proposed renegotiating the country's foreign debt—a move the Siles Zuazo government rejected. In contrast, most leftist candidates

¹⁰ Between 1970 and 1985, Bolivia's foreign debt had increased from \$481.7 million to \$3,259.3 million, most of that in the period between 1980 and 1985. Bolivia's 1985 foreign debt accounted for 124.8% of GDP. For an overview of Bolivia's economic crisis, see Sachs and Morales 1988.

suggested that all foreign debts incurred by de facto regimes should be dismissed, while IU and POR proposed a complete disavowal of the country's entire foreign debt.

Election Results

The results of the 14 July 1985 general election principally marked a dramatic shift towards the right with an overwhelming electoral collapse of the former UDP parties and the Bolivian socialist left in general (see Figure 4.1). Banzer leapt from third place in 1980 to first place in 1985, winning 32.83% of the valid vote, more than doubling his share from 1980. Paz Estenssoro, who won 30.37% of the valid vote, closely followed him. The reunified MNR had recovered its pre-1980 electoral position, winning roughly the same share of votes it had won in 1979. In contrast, the former UDP alliance members jointly took only 18.98% of the vote; more than half of those votes were for MIR's Paz Zamora.¹¹ The 1985 results were a mirror image of the 1979 election, where the UDP was followed closely by MNR, with a distant ADN in third place. The 1985 general election was also marked by voter turnout substantially higher than 1980 (up five points). Though lower than the record turnout 90.09% voter turnout in 1979, voter turnout in the 1985 general election would remain the high water mark for voter turnout for the next two decades.

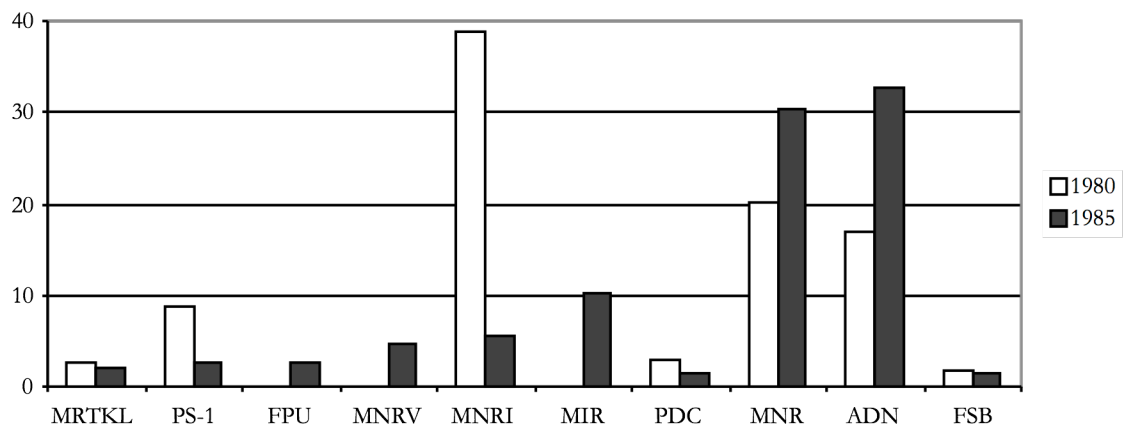
Though vote shares for the MNR and ADN far surpassed their competitors, the 1985 general election did not produce a two-party system. Instead, the effective number of electoral parties (ENPV) was 4.6. This was driven by the fact that while the MNR and ADN won nearly two thirds of the popular vote, the remaining third of the vote was split between sixteen other parties. The effective number of parliamentary parties (ENPS) was only slightly

¹¹ Former UDP members included: MIR (153,143 votes), MNRI (82,418 votes), FPU (38,124 votes), and MNRI-1 (11,696 votes). Together, these parties received less than half the share of valid votes UDP had received in 1980.

lower (4.3). This confirmed the previous tendency towards a multiparty system, which remained relatively stable from 1980 through 1993. Lastly, though the share of blank and null votes was relatively high (7.34% and 5.63%, respectively), these were comparable to their share in subsequent elections. Nevertheless, blank ballots surpassed the vote share for all but the three largest parties—and blank and null votes combined surpassed the vote share for the third-place MIR.

Figure 4.1

Change in support for parties between 1980 and 1985 as percent of valid vote



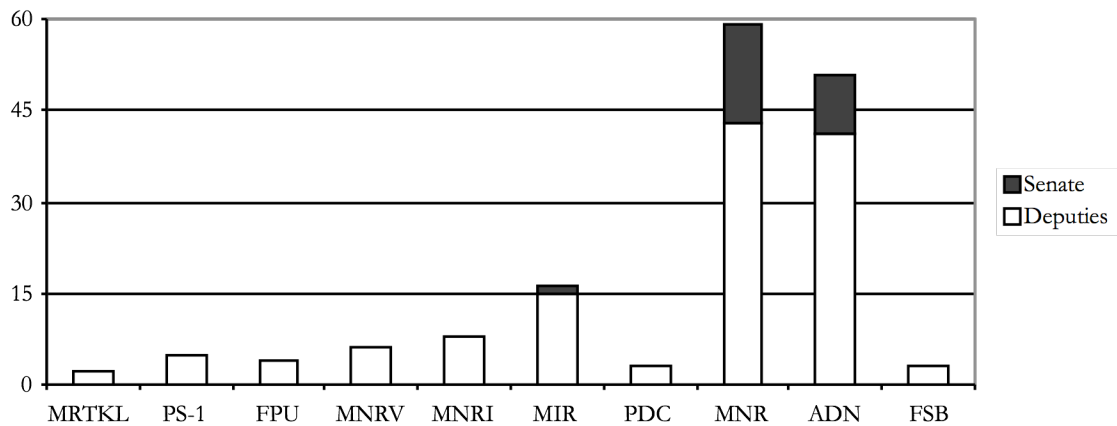
MNRI 1980 reflects UDP; PDC 1980 reflects FDR; MRTKL 1980 reflects both MITKA factions.

A total of ten parties won parliamentary representation, though only three (MNR, ADN, MIR) won seats in the upper chamber (see Figure 4.2). This was an increase from nine parties that won representation in 1980, due in part to the expansion of the lower house from 117 to 130 members (which increased district magnitudes). Both ADN and MNR increased their representation in the legislature. Yet despite placing first in the popular vote, ADN won fewer legislative seats. Wins in seven of nine departments also gave the MNR a solid majority of the Senate. Leftist parties lost overall representation. The 1985 House of

Deputies included five socialist-left parties with a total of 38 seats (29.9% of seats) in contrast to the 53 seats (41.7% of seats) held in 1980 by only two parties (UDP and PS-1). The left's decline was sharpest in the Senate, with a single seat (for the center-left MIR) in contrast to eleven in 1980. The shift by voters away from the left was evident in the minor parties as well. PS-1, which did not participate in the UDP government, saw its share of seats drop by half. Only left-socialist parties lost seats between 1980 and 1985. The center-left Christian democrats lost one seat relative to the 1980 election. In contrast, both the indigenous *katarista* movement and the right-wing Falange (FSB) held their previous seat shares. While the UDP government had never enjoyed a parliamentary majority, the 1985 parliament was now clearly dominated by options from the right and center-right

Figure 4.2

Legislative seats by party, 1985



The use of a simple D'Hondt counting formula in the 1985 election should have led to a slight over-representation of the two largest parties. But because parliamentary seats are awarded by departments (where votes for the MNR and ADN were different concentrated),

the effects were mixed. The largest winner was MNR, which was slightly over-represented, while ADN was slightly under-represented. MIR was also slightly over-represented. The effects for the remaining parties that won representation was also mixed, though with absolute values lower than a full percent point. The exception was FSB, which won two of its three seats in departments with small district magnitudes and was over-represented by +1.0%.

Table 4.1

Percent of valid vote for leading presidential candidates by department, 1985

	Hugo Banzer (ADN)	Paz Estenssoro (MNR)	Paz Zamora (MIR)	Jordán Pando (MNRI)
La Paz	36.39	19.57	9.12	6.52
Cochabamba	34.26	31.00	11.51	4.10
Oruro	28.33	28.86	12.05	10.43
Potosí	20.88	33.06	15.19	6.13
Chuquisaca	21.32	25.33	22.07	2.53
Tarija	24.13	52.81	6.65	4.27
Santa Cruz	38.60	42.77	5.57	3.33
Beni	37.44	38.71	6.34	1.97
Pando	33.30	45.96	4.43	4.06
National	32.82	30.36	10.19	5.48

Broken down by department, the 1985 election saw the MNR win across seven of the country's nine departments. Where the MNR did least favorably was in the rural countryside around La Paz, as well as in rural Chuquisaca, Oruro, and Potosí. These were much the same areas where ADN fared poorly, though Banzer did better among urban voters than Paz Estenssoro did, where he won six of the nine department capitals, which tipped the national vote count in his favor. Votes for MIR were most heavily concentrated in Potosí, Chuquisaca, and Oruro—roughly the same areas where FPU and other leftist parties found most of their support. Finally, while the two indigenous *katarista* parties (MRTKL and

MRTK) won only 3.19% of the total national vote, their vote was heavily concentrated in the rural Altiplano of La Paz and Oruro—the very areas where both MNR and ADN fared poorly. These regions would continue to consistently vote against the three largest parties in high numbers for the remainder of the democratic period, serving as the core constituency for anti-establishment political parties and social movements.

Government Formation

Because no candidate won an absolute majority of the popular vote, parliament was called upon to select a president. At first, Banzer insisted on respect for his plurality victory. But it was soon clear that a Banzer presidency was unlikely and that a Banzer presidency would be heavily resisted, leading to the kind of ungovernability that paralyzed the UDP government. Soon after the election, several leftist legislators—including those from MIR—formed an *anti-banzerista* alliance backing Paz Estenssoro. In the parliamentary election of president, 94 members of parliament voted for the MNR candidate; only the 51 ADN delegates voted for Banzer. On 6 August 1985, Paz Estenssoro assumed the presidency for his third and final time.¹²

Soon after, Banzer and Paz Estenssoro would sign an agreement –the “Pacto por la Democracia” (Pact for Democracy)– that provided Paz Estenssoro with the legislative majority he needed to pursue structural economic reforms. On 29 August, Paz Estenssoro unveiled his government’s plan to handle the economic crisis. The executive decree *DS 21060* spelled out a New Economic Policy (NEP) that officially ended the statist economic

¹² Though Paz Estenssoro was elected in 1964, he was removed from office by the Barrientos coup before the start of the presidential term. Thus, Paz Estenssoro was elected president four times (1951-2, 1960, 1964, 1985) but only served three presidential terms.

model established in 1952 and established the foundation for a neoliberal market model.¹³ The economic “shock therapy” reforms were unpopular and lacked support from the left. And though the NEP policies were not announced during the MNR’s electoral campaign, they coincided with many of the economic solutions proposed by ADN. Thus, on 16 October, Banzer and Paz Estenssoro signed a formal agreement meant to provide governability and political stability while imposing the shock economic recovery program. Hailed by the pact’s members as a means to secure and consolidate democracy, the MNR-ADN alliance was denounced by most opposition parties, including members of MBL, PS-1, the COB, and PDC.¹⁴

Table 4.2
Government and opposition parliamentary strength, 1985

	Deputies	Senate	Total
Government parties	84	26	110
<i>MNR</i>	43	16	59
<i>ADN</i>	41	10	51
Opposition parties	46	1	47
<i>MIR</i>	15	1	16
<i>MNRI</i>	8		8
<i>PDC</i>	3		3
<i>FSB</i>	2		2
<i>MNRV</i>	6		6
<i>FPU</i>	4		4
<i>PS-1</i>	5		5
<i>MRTKL</i>	2		2

The Pact for Democracy established the pattern for subsequent coalition governments. René Antonio Mayorga (1991) described the pact as a “second transition”

¹³ Despite the importance of the NEP reforms, much of the statist economic model remained in place until 1995, when the state-owned industries were “capitalized” during the first Sánchez de Lozada presidency. For a review of the NEP structural reforms, see Sachs and Morales 1988.

¹⁴ Reactions from MBL, PS-1, COB, PDC in CEDIB 1989, p. 32-33.

away from conflictual democracy that led to political instability towards one based on consensus—what he calls “pacted democracy”—that provides both legitimacy and governability. The MNR-ADN alliance was based on ideological convergence, especially regarding economic policy and structural reform. But the agreement also included power-sharing agreements described by Peñaranda Bojanic (2004, p. 114-115) as access to state patronage.¹⁵ Nevertheless, the Pact for Democracy provided Paz Estenssoro with an overwhelming parliamentary majority—64.6% of the House of Deputies and 96.3% of the Senate—which could block any effective opposition. The pact also included an implicit agreement that the MNR would support a Banzer presidential bid in the next elections, a topic of the weekly meetings of the coalition’s bipartisan commission. The pact was officially broken by the MNR’s emerging new leader, Gonzalo Sánchez de Lozada, on 9 February 1989, in anticipation of upcoming elections.

When Paz Estenssoro stepped down from office four years later, on 6 August 1989, it marked the first time a president finished a full term since 1964. On the balance, the MNR-led government had successfully stopped hyperinflation and brought some modest economic recovery, though with a large social cost.¹⁶ The benefits of the neoliberal structural reforms clearly benefited some sectors over others. Most importantly, however, the 1985-1989 period marked the beginning of a new liberal-pluralist political discourse. After 1985, neither the MNR nor ADN –they were later joined by MIR– would steer far from the political-economic model installed by the Paz Estenssoro government. *DS 21060* would

¹⁵ For a critical evaluation of the causes and consequences of the MNR-ADN Pact for Democracy, see Peñaranda Bojanic 2004, p. 111-126. She argues that ADN’s participation in the Paz Estenssoro government was, in part, meant to provide political cover for the unpopularity of structural economic reforms (since ADN was not the principal architect of the reforms) even while working to promote them.

¹⁶ Despite modest economic growth and a substantial reduction in the public deficit, the economic growth was outstripped by population growth. The four-year Paz Estenssoro government also saw an increase in poverty and unemployment.

serve as the foundation for future economic policy for the next twenty years, followed by a “second generation” of structural reforms during the 1990s. Likewise, the kind of “pacted democracy” initiated by the Pact for Democracy ended the pre-1985 expression of electoral politics as a form of confrontational “political warfare” and instead began a new system of based on moderated competition followed by consensus-making. This was facilitated, in part, by the sharp decline of leftist electoral alternatives. After 1985, the major parties all embraced the basic neoliberal formula; the ideological space within which major parties campaigned was reduced.

Perhaps the most significant long-term effect of the Paz Estenssoro government was the beginning of a dramatic shift in public political discourse. Though the 1985 electoral campaign was still framed in much of the same national-revolutionary discourse of the 1952 Revolution, the NEP structural reforms did more than simply change the relationship between the state and economic society. The dismantling of the statist model signaled a turn away from many of the core ideological principles of the National Revolution. Even the party—and key figures within the party—most connected with the 1952 revolution turned away from corporatist-nationalist discourse and began to embrace a new liberal-pluralist discourse. In short, the 1985-1989 government served as the foundation for a new kind of (democratic) competitive politics markedly different from the kind of politics pursued before. After 1985, none of the major parties would pretend to build a hegemonic national political presence that represented “the Nation.” Instead, parties presented themselves as representing different sectorial or ideological interests engaged in liberal-pluralist democratic competition. This became increasingly evident after the 1989 election.

The 1989 Election

The 1989 general election was the second election following the 1982 transition to democracy, and the first election to follow an uninterrupted presidential term. The controversial election of Jaime Paz Zamora to the presidency also marked the first and only time a third place candidate won the presidency. The unlikely alliance between the center-left MIR and the center-right ADN also marked the first true coalition power-sharing government and tied the three largest parties (eventually called the “systemic” parties) ideologically closer together. From 1989 until 2003, ADN and MIR would accompany each other, whether in the government or the opposition. The election consolidated the neoliberal policies initiated in 1985, even as it marked a slight recovery for the political left. Finally, the election also suggested the establishment of a stable party system concentrated on a few key political figures; nearly all of the parties and candidates that campaigned in this election went on to participate in future elections.

Parties and Candidates

A total of ten parties participated in the 1989 general election, eight fewer than in 1985. The sharpest reduction was in parties of the socialist left (from eleven to two), now gathered around PS-1 and IU (which included most of the 1985 FPU coalition members). They were joined by the center-left MIN (Movimiento de Izquierda Nacional). The *katarista* movement was again represented by two parties, MRTKL and FULKA (Frente Único de Liberación Katarista). The 1989 election also marked the debut of the neopopulist Condepa. The three largest parties from 1985—ADN (now center-right), MNR (center-right), and MIR (center-left)—entered the campaign confident of maintaining or expanding their position. Finally, FSB again represented the far right.

Despite an implicit understanding between Banzer and Paz Estenssoro that the MNR would support a Banzer candidacy in 1989, the MNR announced that it would not support ADN, but rather seek a second consecutive government.¹⁷ The incumbent MNR nominated as its candidate Gonzalo Sánchez de Lozada, Paz Estenssoro's planning minister and the architect of the NEP. His nomination signaled a decisive shift towards a new generation of MNR leadership no longer tied directly to the legacy of the 1952 Revolution. The phenomenon of *gonismo* broke completely from the MNR's previous socio-economic policies and turned the party decidedly towards a (neoliberal) liberal-pluralist orientation. Finally, Sánchez de Lozada's public image as an able technocrat with no-nonsense economic solutions and no historical ties to the party's previous involvement in coups made him an appealing candidate to the urban middle classes, now MNR's core constituency. The MNR was also joined by the small PDB (Partido Democrático Boliviano) led by Eudoro Galindo, formerly the 1985 ADN vice presidential candidate. As in 1985, the MNR entered the election confident of victory.

Banzer was again the ADN presidential candidate. By this time, the party had moved decidedly into a center-right position (the 1985 ADN could be classified as "right" rather than "center-right") after its alliance with the Christian Democrats. The PDC leader, Luis Ossio Sanjinés, was named the ADN-PDC vice presidential candidate. In an effort to distance itself from its authoritarian past, the Banzer campaign tried to present ADN as a moderate, responsible, and democratic party. Similarly, Banzer's campaign hoped to gain credit for the successful economic recovery plan it had supported from parliament. Overall,

¹⁷ The MNR-ADN alliance was ruptured soon after Sánchez de Lozada won the MNR primaries in 1988 and became the party's new leader. He convinced the party that it should not support a former dictator in a democratic election.

the ADN-PDC campaign hoped to again place first at the ballot, and called for other parties to respect the plurality winner.

MIR entered the 1989 general election stronger than it had in the previous election. It again named Paz Zamora as its presidential candidate. This time, the party was joined by FRI (led by Oscar Zamora), MNRV (led by Carlos Serrate), a faction of PS-1, and most of what remained of MNRI. Essentially, by 1989 MIR represented those elements of the former UDP that had moved into the center-left. With the support of its new allies, MIR confidently expected to expand its electoral support from 1985 and even announced that it expected to win at the ballot (to establish a “New Majority”). In 1989, MIR again presented itself as a leftist alternative to both ADN and MNR—though less radical than IU or PS-1—even while the party continued to move into a center-left position.

One of the most notable events of the 1989 general election was the political debut of Condepa (Conciencia de Patria), a populist party founded by Carlos Palenque, popular musician and talk radio personality from the city of El Alto. The success of party’s marked the emergence of a new generation of powerful “neopopulist” or “outsider” parties during the 1990s.¹⁸ Condepa was founded at Tiwanaku—the historic and mythical center of Aymara culture—on 21 September 1988. The party served principally as a political vehicle for Palenque, who was angry that the Paz Estenssoro government had briefly closed down his Sistema RTP (Radio Televisión Popular) for his criticism. While the party lacked any clear political ideology, it did articulate the frustrations of the *cholo*—Andean-mestizo urban (mostly poor)¹⁹—residents of El Alto and La Paz. Though the party was critical of neoliberal

¹⁸ See R. Mayorga 1995. For a critical evaluation of CONDEPA as a “neopopulist” party, see Alenda 2003. For a broader discussion of populism and neopopulism in Latin America see Weyland 2000, Conniff 1999, and Demmers (et al) 2001.

¹⁹ This definition coincides with the one used by Marcia Stephenson (1999), who describes *cholo* as “an urban mestizo whose cultural and ethnic ties associate him more closely with communal indigenous practices than

policies of the 1980s, it also displayed a marked tendency towards nationalist-right (rather than socialist) rhetoric. Condepa would go on to play an important role in Bolivian politics, and paved the road for many of the populist, anti-political, anti-establishment movements that followed, but would prove unable to survive the 9 March 1997 death of its charismatic leader.

The rest of the electoral field was much less crowded than it had been in 1985. This election marked a reversal of the partisan fractionalization, especially regarding the left. IU was a catch-all alliance of socialist parties, most of which had participated in the FPU.²⁰ The coalition's presidential candidate, Antonio Aranibar (MBL), hoped chiefly to improve the left's performance relative to 1985. The indigenous *katarista* MRTKL was led this time by Víctor Hugo Cárdenas, who would go on to become the 1993 vice presidential candidate for MNR-MRTKL. Genaro Flores was again a presidential candidate, this time for FULKA. The Bolivian Falange (FSB) began the electoral campaign with an independent candidate for president—Max Fernández, who would later go on to found the populist UCS—but his resignation mid campaign left the party in disarray and without a presidential candidate.

The Electoral Campaign

In contrast to 1985, the 1989 election was conducted in an atmosphere of considerable calm. There were no rumors of civil or military coups or other attempts to interfere with the democratic process. And while accusations of voter registration fraud abounded—they would become a stock feature of every subsequent election—there were no calls to reject the electoral process itself. The new secretary-general of the COB, Simón

with western traditions and values” (see p. 1-9). While the word can carry pejorative meaning, it is also often used in the Bolivian political lexicon to describe a group that is neither “indigenous” nor “mestizo.”

²⁰ The 1989 IU alliance included MBL (formerly MIR-BL), PCB, EJE (Eje de Convergencia Nacional), MAS-U, and a dissident faction of PS-1.

Reyes, called on Bolivians to go to the polls to reject the NEP.²¹ Rather than calling for a boycott, as he had in 1985, Juan Lechín called on voters to spoil their ballots—as did supporters of Max Fernández—to show their rejection of the MNR-ADN-MIR “tripartite.” They were joined by dissident Christian democrat Remo Di Natale, who called on voters to cast blank ballots.²² As in 1985, it was clear early on that the three front runners would be Banzer (ADN), Sánchez de Lozada (MNR), and Paz Zamora (MIR). The three campaigns again focused principally on the personal qualities and histories of their presidential candidates.

The electoral campaign was also marked by a substantial degree of negative campaigning little decreased from 1985. While the smaller parties focused most of their vitriol on the incumbent government’s neoliberal economic policies, the three major parties instead focused on “character” issues. The MNR campaign made frequent references to Banzer’s dictatorial past and questioned the ADN leader’s commitment to democracy. During the final days of his campaign, Sánchez de Lozada called the NEP reforms of the 1985-1989 Paz Estenssoro government an economic success, but promised to follow up with a “New Social Policy” targeting employment, housing, health care, and education. While projecting an image as a modernist and reformer, Sánchez de Lozada also appealed to the traditional revolutionary-nationalist party legacy. Closing his campaign in La Paz, he referenced his “Aymara roots” (his grandmother) and proclaimed that he felt touched by “the poetry and creativity of the Cochabamba valley Quechua” (where he was born).²³ The next day, in Cochabamba, he appealed to the memory of “Dr. Víctor Paz” and the legacies

²¹ *Los Tiempos* (5 May 1989).

²² *Los Tiempos* (5 May 1989).

²³ *Los Tiempos* (4 May 1989).

of the national revolution; he was joined by vice presidential candidate, Walter Guevara Arze (a veteran of the 1952 revolution), who appealed to the MNR's traditional old guard.²⁴

In response, the ADN campaign attacked Sánchez de Lozada's accented Spanish (he had grown up in exile in the United States) with the slogan "*ningún gringo puede gobernarnos*" ("no gringo can govern us", see CEDIB 1989, p. 34). In part, the MNR-ADN break had become a personal political vendetta for Banzer, who refused to engage in a public one-on-one debate with Sánchez de Lozada, calling such demands nothing more than a "caprice" and declaring that he had "nothing to say to someone who breaks his word."²⁵ For his part, Sánchez de Lozada had earlier declared that it was "not possible to continue [in a political alliance] with a partner who does not want to defend democracy" (in CEDIB 1989, p. 33). It was clear from the start that a second MNR-ADN alliance was, at best, unlikely. Much of the ADN electoral campaign was dedicated to either extolling the virtues of its party leader or denouncing his "gringo" opponent.

The conflict between the two winners of the 1985 election encouraged the Paz Zamora campaign to freely attack both center-right candidates. Frequently ignored by both Banzer and Sánchez de Lozada throughout the campaign, he leveled similar attacks on both candidates, citing both parties (the MNR and ADN) as similar representatives of the right and questioned how democratic was their alliance. Paz Zamora also distanced himself from his two rivals by proclaiming, even in the final days of the campaign in the city of Cochabamba, that he would repeal *DS 21060* if elected president.²⁶

²⁴ *Los Tiempos* (5 May 1989).

²⁵ In a full-page ad (*Los Tiempos*, 2 April 1989) Banzer was citing as stating: "... the ADN *jefe* has nothing to say to a flip-flopper (lit. *incosecuente*); he has nothing to say to or hear from someone who forgot about Bolivia, breaking a Pact, cheapening his word, and making a mockery of his obligations." See also *Los Tiempos* (3 April 1989).

²⁶ *Los Tiempos* (3 May 1989).

Similarly, the other parties of the left (IU and PS-1) considered the MNR and ADN candidates indistinguishable members of a “new oligarchy”—though they often also included MIR as a member of the *nueva rosca* (see CEDIB 1989, p. 34). The campaigns’ harshest criticisms, however, were leveled at Banzer, with frequent mentions of the violence and repression during the former dictator’s regime. The IU campaign was the most active, particularly around Cochabamba, where it had established ties with the emerging *cocalero* movement. The party’s presidential candidate, Antonio Aranibar regularly criticized the three largest parties for similarities, while calling on greater government attention to rural, *campesino* affairs—including calls for bilingual education reforms. The party closed its campaign in the city of Cochabamba, where Aranibar called on voters to support efforts by IU to reunify the left. Among the speakers was Evo Morales, the leader of the *cocalero* movement, who was campaigning on behalf of IU.²⁷ Still, the left was well aware that it could not expect to win the election—though they expected to improve their standings relative to 1985—and were preparing before the election to form an opposition bloc IU-PS-1-MRTKL.²⁸

The Condepa campaign received little press attention, though its outreach was principally focused through the popular television and radio stations—Canal 4 and Radio Metropolitana—owned by its candidate and founder.²⁹ Palenque was extremely well-known, both as a former member of Los Caminantes, a popular and successful Andean folk-music group and through his “*el Compadre*” on-air personality.³⁰ Nevertheless, he never figured in

²⁷ *Los Tiempos* (5 May 1989).

²⁸ *Los Tiempos* (1 May 1989).

²⁹ The limited coverage of CONDEPA’s campaign behavior may be do to selection bias, since 1989 data relies exclusively on a Cochabamba city newspaper, *Los Tiempos*; the CEDIB materials did not include a single article covering the Palenque campaign.

³⁰ Together, Radio Metropolitana and Canal 4 comprised the Radio Televisión Popular (RTP) network. Palenque’s *Tribunal del Pueblo* radio and television program served as an outlet for popular discontent at everyday social, political, and economic injustices. The show frequently included guests who had been wronged in some way (ranging from complaints about lack of social services to spousal abuse), and sought to

any of the polls and was regularly relegated to the position of a minor candidate with low expectations. Though Condepa would go on to a surprise showing at the polls, Palenque's appeal (as evident from election results) was almost exclusively limited to the city of El Alto and the Aymara portions of the Altiplano.

Overall, the campaigns centered principally on personal attacks aimed at the top candidates. Banzer was attacked for his previous dictatorship and described as unfit to lead a democratic polity. Sánchez de Lozada was frequently attacked for his English-accented Spanish and was portrayed as a wealthy entrepreneur who would only sell the country to foreign interests. The only campaigns that frequently made use of appeals to policy issues or agendas were MNR and IU, though these were mostly in passing. Attacks from the left against the NEP also rarely extended beyond anti-neoliberal criticisms to include concrete suggestions for policy alternatives. Only one journalist, José Nogales, asked questions about “the issues” at the 30 April “Foro Debate” hosted by the La Paz Press Association, though these were limited to questions about how the three candidates financed their campaigns and, specifically, whether MIR's finances were tied to narco-trafficking.³¹

Election Results

The 1989 election was marked by four things: First, the election ended in the so-called “triple tie” between the three front-runners. Sánchez de Lozada (MNR) came in first with 25.65% of the valid vote, followed closely by Banzer (ADN) with 25.24%—a difference of 5,815 votes. Paz Zamora came (MIR) came in third with 21.83% of the valid vote—more

find “people's justice” for them, all while promoting a sense of community centered around the charismatic Palenque (*el Compadre*) and his co-host, (*la Comadre*) Remedios Loza. Though the comparisons are not perfect, Carlos Palenque was similar to popular American talk show hosts such as Jerry Springer (himself a political figure), Maury Povich, Montel Williams, Ricky Lake, or Oprah Winfrey.

³¹ *Los Tiempos* (3 May 1989).

than doubling his share from 1985. Second, the dramatic emergence of the populist Condepa, which became the fourth largest force in parliament—with nine deputies and two senators—despite receiving less than three percent of the vote in any department outside La Paz (where it won with 30.08%). Third, though the center-right parties again dominated at the polls, the Bolivian left made some recoveries from its 1985 showing (see Figure 4.3). Finally, the MNR plurality victory would be the only time an incumbent (or *oficialista*) party candidate would place first in a general election.³² Together, the three systemic parties won roughly the same vote share they had in 1985, representing nearly three quarters of the electorate.

Though the MNR and ADN candidate were again the two front-runners, their positions were reversed. Banzer's vote share declined (by a sizeable 7.59%), a trend that continued into the next elections; the ADN leader and perennial presidential candidate would never again receive the vote share he did in 1985. The MNR vote share also declined relative to 1985, though in smaller magnitude. Paz Zamora again came in third, though this time much closer to the front-runners and with a much broader share of parliamentary seats. The election results also showed a continued dilution of votes across a number of parties, causing the measure for effective number of electoral parties to expand to 5.0. Finally, voter participation in the 1989 general election was mixed. Voter turnout declined sharply to 73.63%. This would remain little changed (but in decline) until 2005. In contrast, the number of blank and null votes decreased (to 4.36% and 5.67%, respectively).

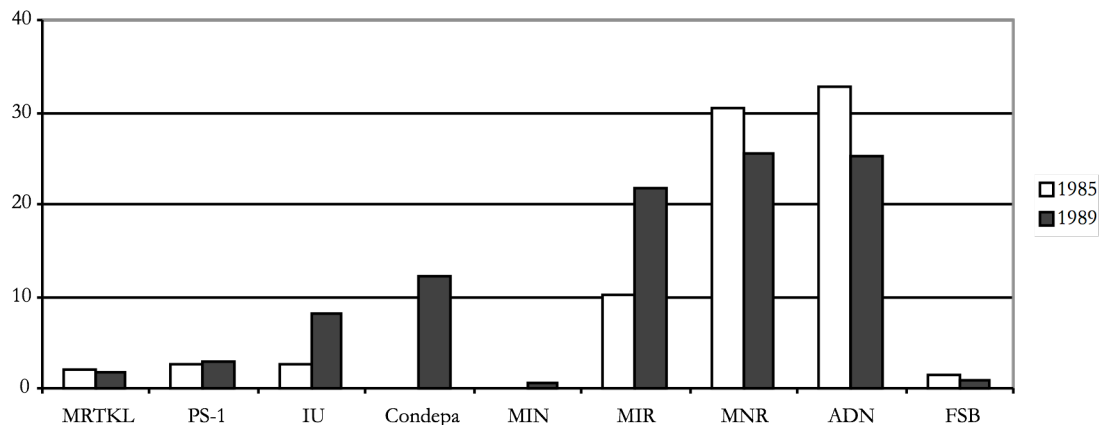
Though the effective number of electoral parties increased from 1985, the effective number of legislative parties actually decreased to 3.9. Only five parties won parliamentary

³² Because the Bolivian constitution does not allow for presidential re-election, no actual incumbent president has run for office. Nevertheless, the Bolivian political lexicon describes the candidates for the party in government as *oficialista* candidates. I use the term “incumbent” in the same way.

representation—the fewest in any election until 2005—and only four of these won seats to the upper chamber. The change was due to a change in the electoral law, which altered the way seats were allocated in each district. Previously, remainder seats (those left over after seats were awarded according to the D’Hondt electoral quotients) were distributed with preference towards smaller parties. The 1989 general election used a double quotient system, which depressed the number of seats for small parties (remainder seats were only awarded to parties that had already won at least one seat based on electoral quotients). Thus, even though several small parties actually increased their share of votes, they were not awarded seats in parliament. This led to a hunger strike by candidates from MRTKL, PS-1, and IU who argued that their parties should be awarded seats (see CEDIB 1989, p. 39-43). In reality, the change from simple D’Hondt to a double quotient electoral rule had a mixed effect on party representation. While national disproportionality of seats to votes increased from 0.032 to 0.069 between the two elections, differences within departments were of much smaller magnitudes (though increasing in six of nine departments).

Figure 4.3

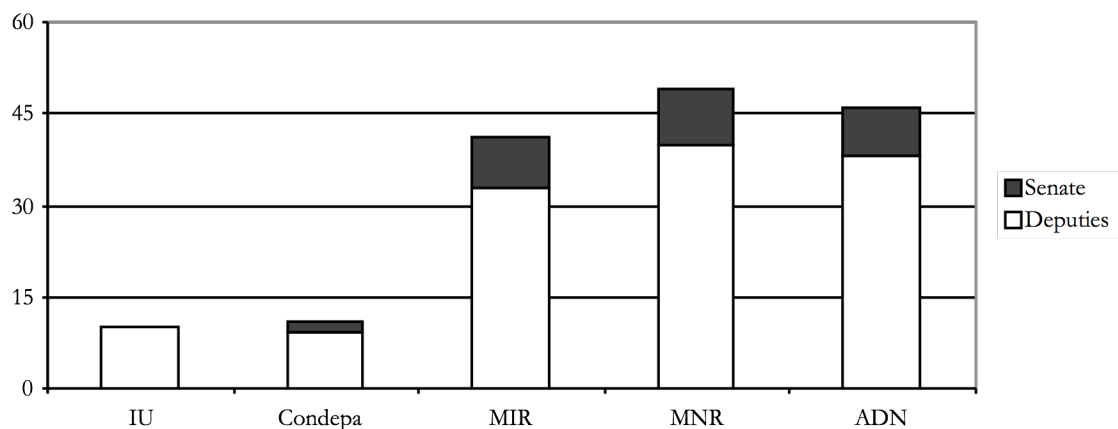
Change in support for parties between 1985 and 1989 as percent of valid vote



Another controversy evolved from the composition of the National Electoral Court, which had been changed in 1985 to represent only the three largest parties. The seven-member body was composed of three members appointed by the MNR, three by ADN, and one by MIR. Following the posting of the official election results, the MNR initiated a legal complaint before the body, charging that ADN and MIR had conspired to manipulate the votes to their favor, though these were later dismissed (see CEDIB 1989, p. 36-38).

Figure 4.4

Legislative seats by party, 1989



The election results also suggested sizeable discontentment with the Paz Estenssoro government's neoliberal economic policies. While the Pact for Democracy parties decreased their combined vote share (by 12.31%), their chief center-left rival (MIR) made substantial gains and led the left and center-left to an aggregate increase from 1985. Most significantly, the IU—which comprised the left wing of the former UDP alliance—more than tripled its share of valid votes. Even including MIR, however, the left only increased its total aggregate

vote by less than three percent between the two elections.³³ Excluding MIR, the combined left actually suffered a continued decline, losing more than a third of its vote share from 1985 to 1989. The figure changed dramatically once votes for Condepa are included, which more than any other party captured the discontent of many residents of El Alto and the poor quarters of La Paz (the metropolitan La Paz-El Alto area alone accounted for more than two thirds of all Condepa votes). In many ways, Condepa's 1989 performance presaged the future role El Alto residents (and residents of the La Paz *tembladeras*, the shantytowns built along the cliffs overlooking the city) would have in Bolivian politics.

Broken down by departments, the 1989 general election saw a much more divided set of two-party contests across departments. Despite a plurality victory, the MNR only won three departments (Cochabamba, Tarija, and Santa Cruz) and placed second in another three (Potosí, Beni, and Pando). The second-place ADN only won two departments (Beni and Pando), though it placed second in another four (Chuquisaca, La Paz, Oruro, and Santa Cruz). The third-place MIR won three departments (Oruro, Potosí, and Chuquisaca) and placed second in two others (Cochabamba and Tarija). The surprise of the election was Condepa's victory in La Paz, the most populous department. The geographical patterns in 1989 were pronounced. The MNR and ADN imposed themselves in the *media luna*, where together they captured between two thirds and three quarters of all valid votes. In Tarija, the MNR and MIR similarly captured two thirds of all the department's valid votes. In contrast, the Andean departments were evenly split between the three largest parties, with little difference between the three (the difference between MIR and ADN in Cochabamba was only nine votes). Even in La Paz, where none of the three systemic parties won, the contest

³³ The aggregate 1985 share of valid votes for the left (MIR, ACP, AUR, MNRV, IU, MNRI, ARENA, POR, FPU, FNP, PS-1, MNRI-1) is 30.70%. The aggregate 1989 share of valid votes for the same bloc is (MIR, IU, PS-1, MIN) is 33.34%.

for second place was close. And while IU won ten parliamentary seats, the left alliance did not win a single seat outside of the Andean departments, leaving the four lowland departments entirely to the MNR, ADN, and MIR. Regionally, the 1989 election demonstrated a consolidation of the three parties (but especially MNR and ADN) in the *media luna*, with more fractionalized party competition in the Andes. As in 1985, all three systemic parties fared least well in the rural Altiplano (particularly around Lake Titicaca) and the city of El Alto.

Table 4.3

Percent of valid vote for leading presidential candidates by department, 1989

	Sánchez de Lozada (MNR)	Hugo Banzer (ADN)	Paz Zamora (MIR)	Carlos Palenque (Condepa)
La Paz	18.80	20.91	17.46	30.08
Cochabamba	26.16	25.45	25.45	2.49
Oruro	25.42	25.46	29.39	2.92
Potosí	24.43	23.11	26.22	1.72
Chuquisaca	21.86	23.00	25.45	0.90
Tarija	41.12	23.85	23.97	0.81
Santa Cruz	35.02	33.44	22.43	0.97
Beni	35.76	38.00	15.24	1.32
Pando	37.10	38.62	15.19	0.81
National	25.65	25.24	21.83	12.25

Again, the vote for Condepa in the urban radius of La Paz-El Alto is significant. Nowhere else did such a large share (and volume) of voters clearly reject the existing political system. But while they turned away from the three systemic parties, they did not embrace leftist alternatives. Instead, they turned towards a new populist, anti-political movement led by a charismatic leader. Unlike other “anti-neoliberal” political movements, Condepa was founded spontaneously, months before the election, principally in response to Palenque’s

personal conflicts with the incumbent government. The movement lacked leaders with established, historical trajectories of political activity or ideological formation. Instead, the movement rallied principally around the figure—and microphone—of Carlos Palenque. The pro-Condepa vote was concentrated almost exclusively in the urban La Paz-El Alto metropolis, demonstrating a markedly weak attachment by its voters towards established political alternatives. No other electorate demonstrated such a dramatic electoral shift.

Government Formation

As in 1985, because no candidate won an absolute majority, parliament was called upon to select a president. The “triple tie” between MNR, ADN, and MIR, however, placed an incredible strain on the ability of a five-party parliament to select a chief executive. Unlike in 1985, however, the idea of a multiparty, post-electoral coalition (or “pact”) was broadly discussed—even by the candidates—long before the 7 May elections. Sánchez de Lozada announced the possibility of an alliance between the two eventual front-runners and hinted squarely at a desire to re-establish an MNR-ADN pact.³⁴ In response, ADN announced its willingness to enter into a “concertation” in order to build a stable, responsible government alliance—so long as the agreement respected ADN’s commitment to the rule of law and the need to change from an interventionist state to one that “left Bolivians free to pursue economic growth”—a move that echoed the party’s 1985 appeals.³⁵ As in 1985, Banzer (who expected victory) called on rival parties to “agree to respect the first majority [plurality

³⁴ *Los Tiempos* (3 May 1989). In his reference to potential co-government between the two front-runners, Sánchez de Lozada described the election as “a contest between two heavyweights and one rooster-weight” (the rooster is a MIR symbol). The reference to an MNR-ADN alliance was denounced by the Cochabamba regional labor federation; its spokesman declared that he sensed something “concealed” in the rupture of the Pact for Democracy and claimed that the ADN-MNR electoral competition was a façade.

³⁵ *Los Tiempos* (4 May 1989). The announcement was made by party spokesperson, Mario Rolón Anaya. Such proposals were a frequent element of the Banzer campaign. See *Los Tiempos* (1 May 1989).

winner]” in order to promote democratic and institutional stability; the move was firmly rejected by other parties as “unconstitutional” and “demagogic.”³⁶ Even before official results were announced, there was a general expectation of a new version of the Pact for Democracy.³⁷ Nevertheless, appeals by Sánchez de Lozada for an MNR-ADN alliance went firmly rejected by Banzer. Days after the election, ADN began making public overtures towards MIR, as spokesperson Guillermo Fortún declared the party’s willingness to enter into a political accord with MIR—and reiterating that it would not negotiate with MNR because of its “disloyalty.”³⁸ Meanwhile, Sánchez de Lozada declared his willingness to entertain a coalition with any party that wished to continue his political-economic program.³⁹ The combination of a triple tie and intense rivalry between the two front-runners made the search for a coalition agreement length, lasting nearly three months.

MIR’s dramatic improvement relative to 1985 threw a wrench in the coalition-building process. Paz Zamora would not relinquish his constitutional possibility to the presidency and likewise refused to agree to support either of the two front-runners. In large measure, he was still leading a center-left party with significant ideological disagreements with both members of the Pact for Democracy government. It was clear that without support from MIR, Sánchez de Lozada could not be president. Together, the MNR and MIR held 90 seats in parliament—enough to surpass the required 79 parliamentary votes (50%+1 of 157 seats). Other than another MNR-ADN alliance, there was no other possible combination that would return the MNR to the presidency.⁴⁰ Similarly, this meant that ADN

³⁶ *Los Tiempos* (31 April 1989).

³⁷ *Los Tiempos* (8 May 1989).

³⁸ *Los Tiempos* (10 May 1989).

³⁹ *Los Tiempos* (10 May 1989).

⁴⁰ Even if IU or Condepa had given their support to Sánchez de Lozada (which was nearly unthinkable) in 1989, such an alliance would have fallen nine votes short of a necessary majority.

would have to seek support from outside the center-right, if Banzer would be chosen president. And Banzer could not be elected president without support from MIR. Finally, Paz Zamora could also not expect to be elected president without support from at least one of the two front-runners. But because these refused to cooperate, and since any coalition had to pass through MIR, Paz Zamora pressed his presidential campaign into parliament.

Paz Zamora's persistence paid off, and his party reached an agreement with ADN—partly facilitated by Condepa—that gave the presidency to MIR. In a surprise move, Banzer publicly announced on 2 August that he was withdrawing his name as a presidential candidate and instructing his party to vote for the MIR candidate. The alliance, however, did not come without cost. First, an alliance between MIR and ADN was previously unlikely for several historical and ideological reasons. Paz Zamora had helped found MIR as a clandestine political party to fight against the Banzer regime, which led to his exile in 1972. Nevertheless, in an act that has since been described by many Bolivians as “crossing rivers of blood” (see Ardaya and Verdesoto 1994), Paz Zamora signed an agreement known as the Patriotic Accord (AP) with Hugo Banzer. But the cost of the ADN-MIR pact was more than emotional; it was also ideological and institutional.⁴¹

First, though Paz Zamora was named president, his vice presidential candidate was not elected. Instead, the ADN-PDC vice presidential candidate, Ossio Sanjinés (PDC) was chosen to serve as vice president. Secondly, unlike the Pact for Democracy, the new AP government was an indisputable two-party “co-government.” In exchange for the presidency and a majoritarian MIR-ADN coalition, Paz Zamora agreed to form a bipartisan para-

⁴¹ Ironically, the 1989-1993 Paz Zamora AP government was in part marked for its heavy-handed crackdown on leftist guerrilla movements similar in orientation to ones Paz Zamora had himself supported in the 1970s. The “emotional” costs for Paz Zamora and MIR included open hostility by former fellow travelers of the socialist left. Several clandestine guerrilla movements briefly emerged, including the Ejército Guerrillero Tupac Katari (EGTK) and the Comando Néstor Paz (CNPZ). The latter was named after Paz Zamora's brother, who had died leading a socialist guerrilla movement in 1970.

constitutional body, known as the Consejo Político Superior. The council was presided over by Banzer and was composed of another eight members, four from each party. The council would “set the general government economic, political, and social policy” (see CEDIB 1989, p. 48-50). Additionally, ADN was awarded one half of the cabinet ministries, including three of the four “coordinating” ministries. Finally, within days of assuming the presidential office, Paz Zamora announced that his government would continue the neoliberal economic policies of the Paz Estenssoro government, including *DS 21060*.

Table 4.4
Government and opposition parliamentary strength, 1989

	Deputies	Senate	Total
Government parties	71	16	87
<i>MIR</i>	33	8	41
<i>ADN</i>	38	8	46
Opposition parties	59	11	70
<i>MNR</i>	40	9	49
<i>Condepa</i>	9	2	11
<i>IU</i>	10		10

While Condepa had facilitated the AP alliance by voting for Paz Zamora in parliament, the party did not formally join the government, though it was awarded several legislative committee appointments. Sánchez de Lozada, still the party chief, also continued to direct the MNR’s legislative behavior. Thus, while the AP government frequently faced significant legislative opposition, it could often count on MNR support for programs that continued in line with the Paz Estenssoro structural reforms. This left only the ten deputies of IU as a consistent opposition force to challenge the Paz Zamora government.

By the time Paz Zamora left the presidency in 1993, MIR was nearly indistinguishable from the other two neoliberal parties. While the party retained its center-left rhetoric, the 1989-1993 AP experience tied the two parties together in the minds of many voters. In 1993, the two parties would campaign together (as AP) behind Banzer's fifth presidential run. The party would again form the core of a multiparty coalition government when Banzer was finally elected in 1997. The 1989 election and subsequent government cemented the reputation of the three largest parties—MNR, ADN, MIR—as “systemic” parties that represented a neoliberal political program radically different from the revolutionary-nationalism of earlier decades. Similarly, the formation and conduct of the AP government suggested that Bolivian policy was significantly restricted to a neoliberal political space. Finally, the experience of Condepa also demonstrated that, while there was growing discontentment against the post-1985 neoliberal policies, this was geographically concentrated among recent immigrants (particularly to La Paz-El Alto) and was prone to manifest itself not in support of ideological leftist political options, but rather towards populist, anti-political social movements.

The 1993 Election

The 1993 general election was the third consecutive election following the 1982 transition to democracy and the second to follow an uninterrupted presidential term. Unlike 1985 and 1989 elections, a parliamentary election was not formally contested after Banzer conceded his defeat and acknowledged the MNR's wide plurality victory. As in both previous elections, 1993 produced a multiparty coalition government—this time including the MNR, MRTKL, MBL, and (sometimes) UCS—which further consolidated the neoliberal reforms initiated during the first MNR-led government. The 1993 transfer of power also

marked the first complete transfer from government to opposition. While the 1989 transfer had involved one government party (ADN) remaining in power, the 1993 transfer sent all government coalition parties (ADN and MIR) into the opposition. The election thus met Samuel Huntington's (1991) "two turnover" test.

Parties and Candidates

A total of fourteen parties participated in the 1993 general election, four more than in 1989, despite a merger of two of the three largest parties (ADN and MIR ran as a single party, AP). As in 1985 and 1989 election, the list of parties and candidates continued to demonstrate a shift towards the political center. Of the twelve remaining non-systemic parties, only two belonged to the socialist-left. Of the rest, three belonged to the center-left, two were indigenous *katarista* parties, one (ARBOL) represented the Evangelical right, and two represented the new populist bloc. The 1993 election was also marked by the political debut of the neopopulist UCS, which (like Condepa) became an important force in future Bolivian politics. The remaining parties included a slate of apolitical "independents" (ONI, Organización Nacional de Independientes)⁴² and the Bolivian Falange.

Sánchez de Lozada was again the MNR presidential candidate. By this time, the party had moved squarely into the political center with a pluralist-multicultural platform and an alliance with one of the most established *katarista* parties. The campaign also named Víctor Hugo Cárdenas (MRTKL) as its vice presidential candidate. The MNR-MRTKL victory would go on to make Cárdenas the country's first indigenous vice president. As in 1989, the Sánchez de Lozada campaign promoted a combination of neoliberal economic reform (including privatization of state-owned industries), but this time more heavily stressed its

⁴² Bolivian electoral law does not allow for candidates to run as independents; they must register as members of a recognized party or front.

social policy, which included bilingual education, political decentralization, and agrarian reform. The campaign also gained considerable traction from having not participated in the unpopular AP government, which was embroiled in corruption accusations. As in 1989, the MNR entered the election from a position of considerable strength and confident of victory.

Faithful to their 1989 coalition agreement, Paz Zamora and MIR joined ADN in a single electoral list headed by Banzer. By now ADN had moved squarely into the center-right camp, retaining its alliance with the Christian Democrats. The AP campaign was also a patchwork assortment of center-right and center-left candidates. The AP vice presidential candidate was Oscar Zamora Medinacelli, leader of the Tarija-based FRI. Zamora Medinacelli had also been elected a senator from Tarija in 1985 when his FRI was allied to the MNR. As in 1989, the AP campaign focused on Banzer, presenting him as a cornerstone of the democratic process and a figure who could bring different political perspectives together into a democratic *concertación*. Nevertheless, the AP alliance face serious problems. The first, was the unpopularity of the 1989-1993 government, which led many voters (particularly those on the left) to turn away to other alternatives.

On the left, the alternatives included Antonio Aranibar, who was again running for president. This time, however, he led MBL in its independent political debut. The small party had broken with the more socialist IU members and turned towards a decidedly center-left position, in many ways mirroring the move made by MIR in 1985 when it left the UDP. The break between MBL and its former IU allies shifted what remained of the socialist alliance (now dominated by the communists) further to the left. The new ASD list was simply a renamed PS-1, headed by Jerjes Justiano, which was now slightly to the right of IU. Situated in the center-left, was the small MFD (Movimiento Federalista Democrático) led by Carlos

Valverde, who had left FRI due to the party's participation in AP. It also included Carlos Serrate's MNRV (now called VR-9), which broken with MIR for similar reasons.

The *katarista* movement not aligned with MRTKL turned decidedly toward a radical position. While the inclusion of Cárdenas as the MNR-MRTKL vice presidential nominee helped the alliance win back rural votes, many of the core centers of the *katarista* movement (such as Achacachi and Ayo Ayo) turned decidedly away from the pluralist position and towards more ethno-separatist positions presented by Eje-Pachacuti and MKN (Movimiento Katarista Nacional). The move is significant, because Eje-Pachakuti would by 1997 become MIP (Movimiento Indígena Pachakuti), led by Felipe Quispe.

The turn toward apolitical populist social movements as vehicles for popular discontentment continued in 1993. Alongside Condepa, the newly-formed UCS (Unidad Cívica de Solidaridad) emerged as a powerful political force. UCS was founded Max Fernández, owner of the country's largest brewery. Unlike Condepa, however, UCS successfully gained support across a broader electorate, particularly in the working-class immigrant districts of the city of Santa Cruz.⁴³ In part, this success can be attributed to the differences in rhetoric by their leaders. Because Palenque appealed himself principally to the new "urban Aymara" residents of El Alto, he attracted support primarily from recent immigrants who still principally self-identified themselves as Aymara. In contrast, Max Fernández was a Quechua-speaking entrepreneur who self-identified himself as a *mestizo*,

⁴³ I use "immigrants" here to mean internal immigrants, that is, Bolivian citizens who moved from the rural Andean countryside to the lowland city of Santa Cruz. Socio-economically, they resemble the recent immigrants to El Alto. Culturally, however, they are different. The immigrants to Santa Cruz include both Aymara and Quechua speakers, and in contrast to recent immigrants to El Alto, those who migrate to Santa Cruz tend towards a mestizo orientation.

which broadened his electoral appeal. Also, unlike Condepa, UCS is more clearly a right-populist party, which places it slightly to the right of ADN.⁴⁴

The Electoral Campaign

By the 1993 general election, democratic electoral politics was an established norm. There were no significant calls for voter to boycott or cast blank votes, though there were complaints again regarding voter registration fraud. Most expected the election to produce a coalition government. This time, media pundits speculated that any kind of post-electoral coalition was possible. Carlos Toranzo (ILDIS director) was among the first to speculate in January that the election would conform into two blocs—one comprising AP and UCS, the other comprising MNR, MBL, and Condepa.⁴⁵ As in 1989, few expected the socialist left to play much of a role in any post-electoral government formation process. The campaign also focused heavily on two issues that damaged the incumbent government: Banzer's history as a former dictator and charges of government corruption. Finally, the 1993 electoral campaign was also marked by citizen demands for institutional reforms that would strengthen the connection between parties and voters, particularly in terms of regional representation.⁴⁶

One of the key issues of the campaign was corruption. The issue was the particular campaign mantra for MBL, which described itself as the *trigo limpio* ("clean wheat sheath"). Much of the corruption charges, however, focused exclusively on MIR, denouncing their

⁴⁴ Populist parties are difficult to categorize because they lack any clearly defined ideology. But the inclusion of many former Garcia Mesa supporters in the party's rank, as well as its leader's previous affiliation with the fascist Falange, supports categorizing it on the right.

⁴⁵ *La Prensa* (17 January 1993).

⁴⁶ During the earliest part of the campaign, as parties issued their candidate lists, several regional organizations criticized the parties for nominating candidates that were unknown in the regions or who had not represented their local constituents in the past; they demanded greater accountability by the parties in terms of local, regional representation. Later, similar concerns were raised by Roberto Laserna (director of CERES), who argued for separate legislative elections (see Laserna in *La Prensa*, 14 May 1993).

former comrades as the key instruments of government corruption. Other parties that made government corruption a key issue of their campaign included the MNR and Condepa (which described itself as a movement for a “moral revolution”).

Though the electoral campaign often descended into negative attacks between the two main candidates (Banzer and Sánchez de Lozada), both campaigns increasingly focused on their respective platforms. By the end of April, both parties had presented a formal “plan of government” published in newspapers across the country. The Bánzer campaign’s *Primero los Bolivianos* (“Bolivians first”) plan of government platform was presented 22 March as a lengthy personal “message from General Hugo Banzer” in which he used nationalist appeals to his “compatriots” and promised to expand economic growth, direct foreign investment, and national infrastructure development. The MNR-MRTKL 56-page *Plan de Todos* (1993) appeared on 4 April, followed with a two-page newspaper spread the next day. In it, the Sánchez de Lozada campaign made clear that it would continue the neoliberal policies established since 1985—particularly with a call to “capitalize and democratize” the state-owned enterprises—but also promised to expand the state’s welfare capacities. The two parties accused each other of copycatting their platforms. The MNR’s chief campaign strategist, Juan Carlos Duran, criticized the Banzer platform saying it “smelled like a copy” of the MNR’s 1985 platform and that it was “an old plan, not a plan for change.”⁴⁷ Jorge Landívar Roca (ADN) responded with claims that the MNR was clearly “nervous and desperate” because of the “transparency and accomplishments” of the AP government—before appealing for his opponents to insulting attacks, which have “no place in a

⁴⁷ *Última Hora* (24 march 1993).

democratic process.”⁴⁸ Hermán Antelo (MNR) also defended the then-upcoming MNR plan as original, and not a copy of the “plan Banzer” released earlier.⁴⁹

Such accusations between the Banzer and Sánchez de Lozada campaigns about “copycat” plans played into the left’s accusations that the two platforms were essentially similar, presenting voters with a “false choice”—since it was clear that both plans were essentially similar. The MBL’s “*Para recuperar la esperanza*” (“To recover hope”) government platform was published in newspapers across the country on 11 April.⁵⁰ Though other parties distributed pamphlets, these were primarily limited to critiques of the “current situation” combined with vague slogans or phrases meant to describe their candidate’s goals. In contrast, the MBL plan began with a brief critique of the two previous governments and the parties that represented them, before launching into a platform that aimed to “reform the current neoliberal recipes” through policies to encourage production, particularly small- and medium-scale production. Interestingly, the MBL plan did not once mention *DS 21060*. Key elements of the MBL plan focused on expanding the state’s welfare responsibilities and eliminating government corruption, placing their platform in the center-left (accepting the general framework of market economic reforms but calling for greater attention to social welfare issues).

The MBL’s campaign strategy also differed from the campaigns from the rest of the left. The ASD vice presidential candidate criticized the “neoliberal parties” for seeking constitutional reforms that would consolidate the post-1985 structural reforms; he argued that the “conquests of 1952” and the statist economic model it produced—particularly, state

⁴⁸ “Los nervios están desesperando al MNR,” *El Diario*, 24 March 1993.

⁴⁹ “MNR niega haber copiado oferta electoral del AP,” *Última Hora*, 26 March 1993.

⁵⁰ See MBL, “Programa para recuperar la esperanza” in *La Razón* (11 April 1993).

ownership of natural resources—were “unrenounceable values that must be preserved.”⁵¹ Several attacks against the two chief candidates came from within their own previous supporters. Several dissident Christian democrats accused the PDC of betraying their principles by “pledging allegiance and fidelity to neoliberal fundamentalism.”⁵² Several ex-MNR factions also publicly abandoned the Sánchez de Lozada campaign. These included Carlos Serrate Reich (MNRV), who produced a list of former prominent members of the MNR old guard that had either left or been expelled by the party. Serrate Reich claimed that he would rejoin the party only when “it recovers the flags of 9 April.”⁵³

In contrast, MBL candidates focused their attacks on Banzer and MIR. On 6 March, the party’s presidential candidate (Antonio Aranibar) even defended the MNR from its association with Banzer’s dictatorship, attacked Paz Zamora’s “amnesia,” and claimed it was a “shame the president doesn’t remember those times”—a clear jab at Paz Zamora’s alliance with a dictator he had opposed in the 1970s.⁵⁴ The statement followed a series of fresh attacks on Banzer’s dictatorial past from various sectors. The issue revolved around possible legal charges against Banzer for his role in the death of the leftist military dictator, General Juan José Torres (Paz Zamora had served as a sub-cabinet minister under Torres); Banzer defended himself as a pillar of the new democratic system. Several legislators made strong statements condemning Banzer. Ernesto Machicao (MNR) charged that “an ex-dictator like Banzer has no rights in a democracy because he is part of the Pinochet, Galtieri, Somoza club.” The IU’s Germán Gutiérrez stated that Banzer was “demonstrating his military

⁵¹ *La Prensa* (15 March 1993).

⁵² *Última Hora* (15 March 1993).

⁵³ *Última Hora* (15 March 1993).

⁵⁴ *Presencia* (6 March 1993). The defense came from Aranibar insisting that the MNR and FSB had ended their participation in the Banzer regime in 1974, two years before Torres’ assassination. Splitting hairs in such a public defense of the MNR suggests the party was positioning itself for a potential post-electoral alliance.

education.” MBL’s Miguel Urioste argued that “the country cannot forget that regime nor tolerate that dictators become democrats.”⁵⁵ The exchange became quite spiteful. ADN’s Tito Hoz de Vila claimed it was “immoral” for the MNR to attack the former dictator after relying on him during the 1985-1989 coalition government; he also attacked “politicians who conspired alongside Banzer but now have the cynicism to turn on him” and railed against the “traditional *movimientista* practice that continues to poison Bolivian politics.”⁵⁶ In response, the MNR’s Guillermo Richter called Hoz de Vila an “uncultured *llockalla*” who forgot that where it not for the National Revolution, “rural families like his would never have been able to enter politics.”⁵⁷

Another feature of the “dirty war” electoral rhetoric was the bitter clash between Condepa and UCS. The attacks began from Palenque’s on-air accusations that Max Fernández had profited from narcotrafficking, and that he had used “violence and illegal resources” in establishing UCS.⁵⁸ In response, Max Fernández began a civil suit against Palenque for defamation of character. Both parties denied initiating their mutual “dirty war”—though the two maintained a bitter feud for the remainder of the campaign.

The 1993 electoral campaign was also marked by more extensive use of formalized presidential “debates” (or *foros políticos*), though these again reinforced the dominant position of the largest parties. The debates were broken down into four separate *foros* held during the last week of the campaign, with the three main candidates to face off during the last *foro*.⁵⁹

⁵⁵ *La Razón* (5 March 1993).

⁵⁶ *Los Tiempos* (7 March 1993).

⁵⁷ *Hoy* (17 March 1993). Though *llockalla* literally means “a young boy” in Aymara, it can also be used as a pejorative slur (as Richter clearly intended it to be).

⁵⁸ “UCS quedaría fuera de la carrera electoral mañana, anuncia CONDEPA” (*La Razón*, 10 March 1993).

⁵⁹ Originally, this debate slated Sánchez de Lozada, Banzer, and Palenque. On 31 May, the hosting Press Association of La Paz replaced Palenque with Max Fernández. In protest, Palenque decided to not participate in the debates.

Originally, this debate slated Sánchez de Lozada, Banzer, and Palenque. On 31 May, however, the hosting Press Association of La Paz changed the last *foro* to replace Palenque with Max Fernández. In protest, Palenque decided to not participate in the debates. The first debate included the candidates from ONI, MNRV, ARBOL, and MFD. In that debate, only Carlos Serrate Reich (MNRV) attacked neoliberalism as a “failure,” while the other candidates defended the free market.⁶⁰ The second debate involved more anti-neoliberal critics—ASD, FSB, Eje, and MKN—though these, too, focused greater attention to their internal disagreements and admitted that their main goal was simply to win at least one seat in parliament. Highlights include Justiniano’s (ASD) attack on MBL as a “false revolutionary movement” that would simply become “the MNR’s caboose” and Untoja’s (MKN) attack on Víctor Hugo Cárdenas for his alliance with the “gringo Goni.”⁶¹ The debate between Aranibar (MBL) and Velasco (IU) centered on the two parties’ recent split, though both agreed that neither would form a coalition with Banzer. Finally, the *foro* featuring the MNR, AP, and UCS candidates was remarkably tame. In the last two weeks of the campaign, Banzer and Sánchez de Lozada had refrained from the kind of personal attacks that characterized the earlier part of the campaign period; both publicly agreed that they did not have ideological differences and that the difference was in administration styles.

Electoral Results

The 6 June 1993 general election was marked by a resounding defeat for the incumbent AP alliance and a clear plurality victory for the MNR, its second consecutive plurality victory under Sánchez de Lozada. Banzer received fewer votes than either he or Paz

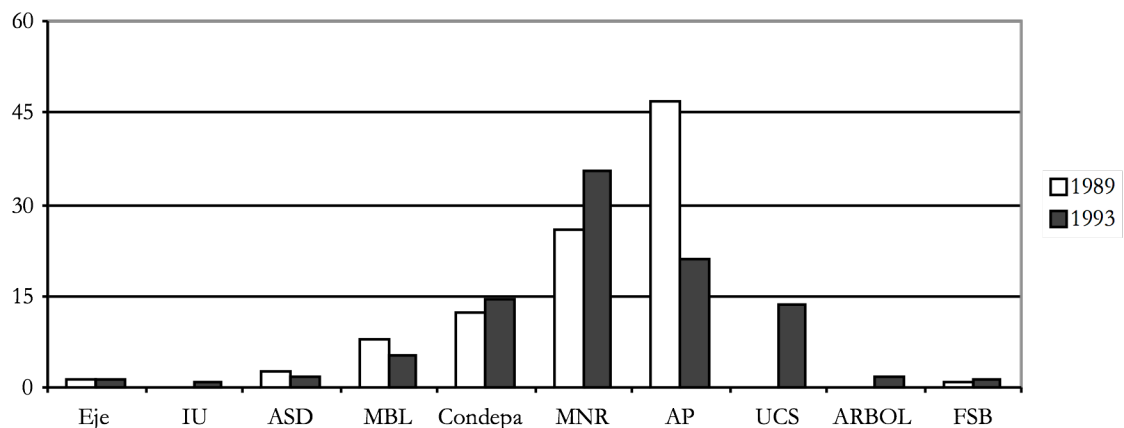
⁶⁰ *Presencia*, 1 May 1993. ONI’s Bonifaz argued for a pure free market that included legalized cocaine. MFD’s Valverde advocated federalizing the country to promote strong, local free markets. ARBOL’s Ancalle backed suspending taxes on “productive industries” to spur economic growth.

⁶¹ *Opinión*, 22 May 1993.

Zamora had in 1989 and their AP alliance received fewer than half the combined ADN and MIR votes in that election. The decline was the sharpest for any incumbent government. In contrast, Sánchez de Lozada increased his vote share by more than ten points –nearly a one-third increase from 1989. Nevertheless, the 1993 election also saw the first marked decline in aggregate vote for the three systemic parties, which together only captured a little more than half of the total valid vote. This decline in support for the three largest parties did not translate into increased support for leftist alternatives. Instead, parties of the left continued their decline. The parties that gained disaffected voters were instead the neopopulist parties, Condepa and UCS. Despite the AP alliance and the high MNR vote, the 1993 election also continued to show a dilution of voters across the multiparty system. The effective number of electoral parties (ENPV) dropped only slightly to 4.7. Finally, voter turnout in 1993 remained relatively steady relative to 1989, though the number of blank and null votes declined markedly (to 2.14% and 2.69%, respectively).

Figure 4.5

Change in support for parties between 1989 and 1993 as percent of valid vote



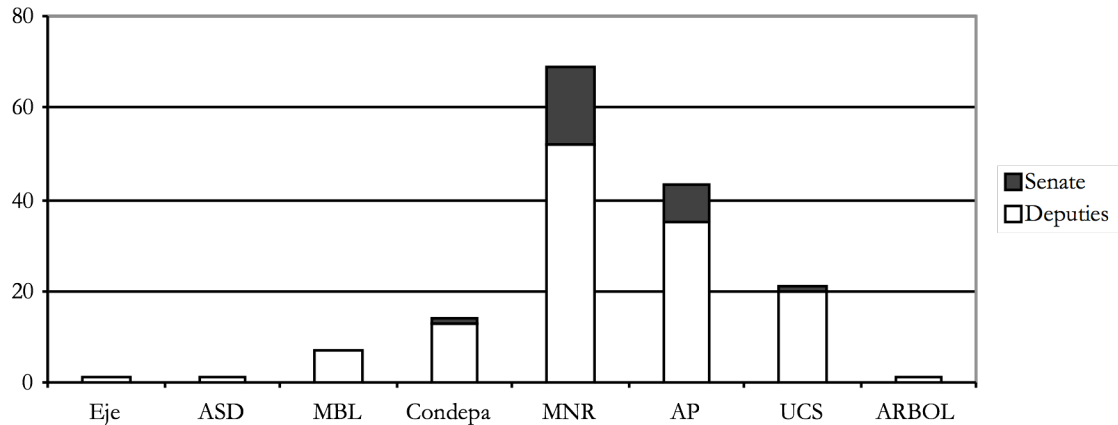
AP 1989 reflects ADN-MIR. MBL 1989 reflects IU. ASD 1989 reflects PS-1. Eje-Pachakuti 1989 reflects FULKA.

Sánchez de Lozada's 1993 plurality victory would be the highest vote share any presidential candidate would receive until 2005, and remains the second-highest vote share for any presidential candidate in the post-transition period. The MNR's plurality victory also extended into nearly every corner of the country. The party placed first in eight of nine departments; the only exception was Pando, an ADN stronghold, where the MNR placed second. Perhaps the biggest coup was winning in La Paz (where it had placed third in 1989) after edging out Condepa by 4,642 votes. The MNR also received the largest number of seats for any party in a single election, with 52 deputies and 17 senators, leaving it only ten votes shy of the majority necessary for parliamentary election of the executive. In contrast, Banzer's AP alliance placed a distant second in all but eight departments: La Paz and Oruro. In La Paz, Condepa roughly retained its 1989 vote share, but finished second. Oruro voters strongly supported Max Fernández, the national beer magnate and UCS founder, who was born in the department.

Though the number of parties that won seats increased to eight, the effective number of legislative parties also decreased slightly to 3.7. This was in large measure due to the fact three of the parties won only one seat each and, while one single party (MNR) won nearly a majority of all seats. The increase in the number of parties that won seats was partly a function of the new Sainte-Laguë electoral formula adopted to replace the previous system of double quotients, as well as the heavy concentration of minor party voters in particular departments. Nevertheless, aggregate disproportionality increased slightly to 0.064, and differences within departments were again mixed.

Figure 4.6

Legislative seats by party, 1993



The election results clearly showed discontentment with the incumbent AP government. Yet the results also showed that many voters still generally supported the neoliberal reforms initiated by the first MNR-led government in 1985. Though the inclusion of Cárdenas on the ticket and the alliance with MRTKL clearly helped boost votes for the MNR. Still, Sánchez de Lozada was still most directly identified as the architect of the NEP and *DS 21060*, and his campaign vigorously defended the Paz Estenssoro government's structural reforms and promised more of the same. Moreover, the large vote shares for populist parties like Condepa and UCS demonstrated that street-level discontentment with the reforms was not yet organized into a coherent alternative policy platform. Nearly ten years after the beginning of the structural reforms the ideological left (in aggregate) had declined to less than ten percent of the valid popular vote, while the indigenous vote was still limited to less than two percent.

Table 4.5

Percent of valid vote for leading presidential candidates by department, 1993

	Sánchez de Lozada (MNR)	Hugo Banzer (AP)	Carlos Palenque (Condepa)	Max Fernández (UCS)
La Paz	31.33	13.85	30.58	10.52
Cochabamba	40.45	21.05	3.73	18.75
Oruro	33.26	18.24	11.71	20.31
Potosí	30.65	22.58	6.29	19.48
Chuquisaca	31.95	26.23	2.52	12.67
Tarija	42.34	30.29	1.76	13.79
Santa Cruz	40.52	26.98	4.35	13.01
Beni	41.40	36.93	1.25	11.52
Pando	33.09	50.72	0.43	6.96
National	35.55	21.05	14.29	13.77

Looking across departments, the 1993 election again saw the systemic parties dominate most of the country. Only in La Paz (driven, again, by El Alto voters) and Oruro did other parties win senate seats. Again, the three systemic parties hegemonized the *media luna*, where they averaged at least two thirds of all votes (as high as 83.81% in Pando). Where the three parties fared least well was in the Andean departments, particularly the rural Altiplano regions of La Paz, Oruro, and Potosí. As in previous elections, the continued decline for electoral support for the systemic parties was primarily a function of their sharp decline in support across the rural Altiplano. This pattern is also evident in the distribution of minor parties. The left won only two seats in the *media luna*, both of them in Santa Cruz—a function of the department’s large district magnitude (17 lower house seats) and the highly proportional Sainte-Laguë electoral formula. The 1993 election also saw Condepa win a single seat (also in Santa Cruz) in the *media luna*—its first and only seat in those departments in any election. La Paz was the department that least supported the three systemic parties, with only 45.18% of the valid vote and half of the department’s lower house seats. But while support for the three largest parties declined across Andean Bolivia, no party had yet

emerged to challenge their hegemony. By 1993, party systems in Andean departments were more fragmented than in *media luna* departments.

Government Formation

As in the two previous elections, no candidate won an absolute majority. But this time the margin of victory was sufficient enough that, only four days after election day, Banzer formally conceded defeat and declined his possibility of parliamentary election. His supporters described the move as further evidence that the ex dictator was a crucial player in Bolivia's new democracy, particularly for his role in facilitating the formation of three consecutive governments. In his concession speech, he claimed that he was stepping down so that small parties "wouldn't go fishing in turbulent waters."⁶² The move left Sánchez de Lozada free to pursue different coalition partners from a position of strength. His own party's central executive committee voted to give the president-elect full discretion in such negotiations. He also had nearly two full months to assemble a parliamentary government. Yet from the start, it was clear that the MNR would pursue an alliance with MBL and one other partner, either Condepa or UCS.

Negotiations between MNR and MBL, headed by Juan Carlos Durán (MNR) and Miguel Urioste (MBL), began almost immediately. From the pre-electoral campaign, it was clear that the two parties now shared many similar positions (the MNR had moved squarely into the political center even as MBL had moved into the center-left) particularly in terms of expanding the state's social safety net. Where the two parties most sharply disagreed was in the issue of constitutional reform. The MNR had voted alongside AP and Condepa for a constitutional reform project that would make future constitutional amendments easier. The

⁶² *El Mundo* (11 June 1993). The move blocked any hope that the third-place Palenque could, like Paz Zamora, emerge as president. It also (briefly) opened the possibility of another MNR-ADN co-government.

small party held a national congress of its members in mid-June to discuss the possibility of joining the government. It was clear from several MBL leaders that their party would only join an MNR-led government if coincided on policy issues. By 23 June, the MBL had formally submitted a proposal that would provide “unconditional” support for an MNR government, so long as it agreed to the MBL’s policy agenda.⁶³

Negotiations between the MNR and Condepa, in contrast, soon hit a snag. During preliminary discussions, Palenque insisted on at least one cabinet position (the Ministry of Energy), several regional development corporations (particularly CORDEPAZ), and various other positions.⁶⁴ All the while, Guillermo Bedregal (MNR party sub-chief) continued to also negotiate with Max Fernández, though the UCS leader’s ambivalence suggested a deal was more likely with Condepa. As negotiations continued, Palenque threatened that he would not entertain any alliance with the new Sánchez de Lozada government if it continued negotiations with UCS. The move put a strain on bilateral negotiations, though by 30 June anonymous UCS sources claimed that their party had reached an agreement with the MNR.⁶⁵

By the first week of July, with a month to spare before his inauguration, Sánchez de Lozada had signed separate formal agreements with both MBL and UCS. The MNR-MBL “Pact for Change” agreement was signed on 4 July; it rested principally on policy agreements, particularly on the fight against corruption and a broad range of social policy issues. MBL would play a major role in the first Sánchez de Lozada administration, with its members holding several key positions.⁶⁶ Its members (and other center-left intellectuals)

⁶³ *Los Tiempos* (23 June 1993).

⁶⁴ *La Prensa* (16 June 1993).

⁶⁵ *La Razón* (30 June 1993).

⁶⁶ MBL’s government participation was disproportionate to its seven deputies. Antonio Aranibar was made Chancellor (Bolivian Foreign Minister); Juan Del Granado was elected Senate president (third in line of succession) and head of parliament’s human rights commission; Edgar Camacho was named ambassador to

would also play a major role in structuring the government’s education and land reforms (INRA)—and especially the *Participación Popular* reforms. The separate MNR-UCS “Pact for Governability” agreement gave UCS the same share of representation within the executive branch as MBL, even though UCS had three times more seats in parliament. The MNR-UCS pact also included a para-constitutional organ (similar to the ADN-MIR council) led personally by Sánchez de Lozada. In contrast, the MNR-MBL pact included no such provision but relied instead on convergence around similar social policy agendas.

Table 4.6
Government and opposition parliamentary strength, 1993

	Deputies	Senate	Total
Government parties	79	18	97
<i>MNR-MRTKL</i>	52	17	69
<i>MBL</i>	7		
<i>UCS</i>	20	1	21
Opposition parties	51	9	60
<i>AP</i>	35	8	43
<i>Condepa</i>	13	1	14
<i>ASD</i>	1		1
<i>ARBOL</i>	1		1
<i>Eje-Pachakuti</i>	1		1

Differences in power-sharing quotas created tension within the governing coalition before the new government was inaugurated. Throughout mid-July, Max Fernández threatened to abandon the governing coalition. In part, he was bitter that MBL (which

the OAS; Alfonso Ferrufino was elected parliament secretary; Félix Barrios was named president of the development corporation of Chuquisaca (CORDECH).

included several prominent lawyers) had previously threatened to investigate the beer magnate's finances.⁶⁷ Such friction would frequently erupt within the coalition.

By the time Sánchez de Lozada left the presidency in 1997, it seemed Bolivian democracy and its liberal-pluralist political system was consolidated. While the first Sánchez de Lozada government had privatized the country's state-owned industries, he had used the profits to establish the country's first universal pension program (the BONOSOL). The 1993-1997 government had also overseen a series of substantial reforms: The constitution was amended, formally declaring Bolivia a "pluricultural, multiethnic" nation. The electoral system was dramatically changed from a simple list-PR system to a mixed-member proportional system modeled on the German system. More importantly, the government had initiated sweeping educational and agrarian reforms, as well a decentralization reform that brought meaningful municipal elections –and local government control– the rural countryside. The 1993 election had also cemented the role of the three major parties as the most likely nuclei for any governing coalition. The elections also demonstrated a marked shift towards the political center; the only successful party on the left was MBL, while socialist-left alternatives continued to decline. Nevertheless, the 1993 election also made clear that new populist parties now played a significant role in the political process. Similarly, though the systemic parties were in a dominant position, their dominance rested on their continued support in the *media luna*. In other areas, particularly the rural Altiplano and the city of El Alto, voters continued to turn away from the major parties towards other electoral alternatives.

⁶⁷ Though it was clear that Max Fernández was bitter about the coalition's power-sharing arrangement, he routinely insisted that he did not need political power because he was "already a wealthy man". As with his feud with Condepa, he threatened civil suits against MBL leaders for defamation of character. See *La Razón* (11 July 1993).

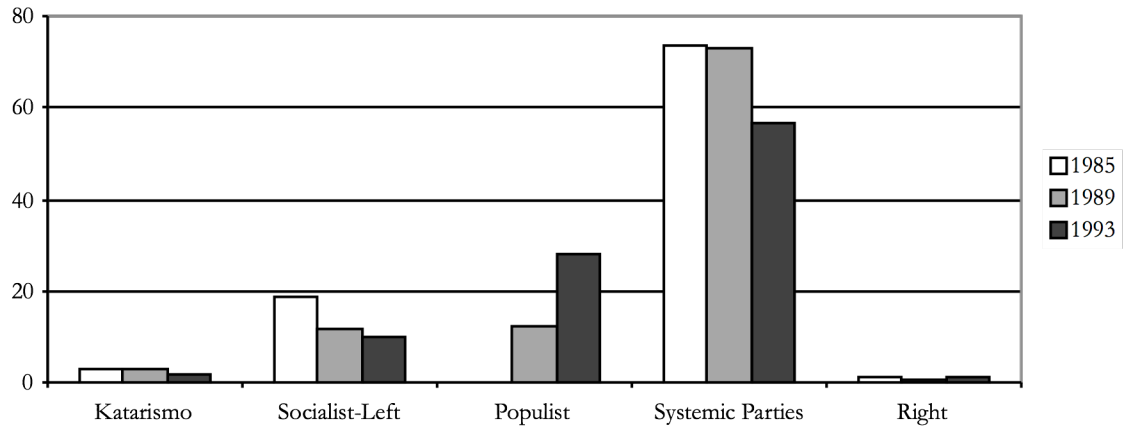
Concluding Remarks

The 1985, 1989, and 1993 elections saw the institutionalization of “parliamentarized presidentialism”—a system based on moderated multiparty competition between three key “systemic” parties. During this period, votes remained heavily concentrated around three parties (MNR, ADN, MIR) that formed the center of any government coalition. On the other hand, this period also saw the growth—as in other Latin American countries—of populist and neopopulist movements that challenged the political status quo. Unlike in other cases (cf. Ecuador, Peru, Venezuela) these parties were consistently accommodated themselves into the existing party system. Rather than calling for an overthrow of the existing electoral framework, UCS and Condepa instead worked to be included into the evolving system of parliamentary representation and coalition government formation.

Nevertheless, the decisive shift away from the systemic parties in the department of La Paz suggested a worrisome trend. A significant—and geographically concentrated—part of the national electorate was clearly disaffected from the political system. The urban poor voters of El Alto and the *tembladeras* of La Paz were consistently voting against systemic parties; this meant that this portion of the electorate was consistently unrepresented by incoming governments. Yet so long as voters in other departments continued to vote for systemic parties (or other parties that generally supported the status quo), voters in La Paz were unable to shift the country’s political direction. Instead, the (mostly *cholo*) urban poor in the capital metropolitan area were a constant, disaffected political minority.

Figure 4.7

Support for different political tendencies 1985-1993 as percent of valid vote



Still, this period showed a remarkable dominance by systemic parties (see Figure 4.7).

Despite their marked decline in 1993, the three systemic parties continued to capture the lion's share of the national vote. The ideological left, indigenous parties, and the far right, in contrast, remained on a steady decline. The only parties that gained considerable support during this period were the two populist parties (Condepa and UCS), though these frequently supported the systemic parties in establishing governing coalitions. By 1997, both Condepa and UCS would have joined government coalitions with systemic, neoliberal parties. Thus, the 1985-1997 period showed a remarkable political stability uncommon in other countries in the region (cf. Peru, Ecuador, Venezuela).