CHAPTER VI

PARLIAMENTARIZED PRESIDENTIALISM IN DECLINE

The 1997 and 2002 general elections were markedly different from the previous three. First, these were marked by a general decline in support for the three "systemic" parties (MNR, ADN, MIR) that formed the core of the party system. This period also saw a revitalization of syndicalist movements, which became more actively engaged in formal politics.[1] Unlike during the previous period, the new "antisystemic" opposition parties that grew out of such movements (MAS and MIP) were not accommodated into the political system. Where neopopulist parties like Condepa and UCS soon blunted or rescinded their anti-neoliberal discourse to position themselves within the existing political system, these new parties did not. Nevertheless, both the 1997 and 2002 elections produced parliamentarized presidential coalition governments that did not stray from the neoliberal model in place since 1985. By this period, however, the large number of parties enlisted into such coalition governments strained their effective governance. And by 2002, the opposition legislative bloc no longer included systemic parties but was instead dominated by antisystemic forces.

These were also the first elections after a series of institutional and electoral system reforms that reshaped political competition. Most important of these changes—for the purpose of national presidential-parliamentary politics—was the adoption of a mixed-

[1] Though this period saw a growth of several different types of social movements, here I focus on the resurgence of syndicalism as an organizational strategy. Perhaps such new movements are "neo-syndicalist" in much the same way as some describe the recent "neopopulist" movements (see Weyland 2001) since they represent organized informal sector workers (e.g. coca farmers or market venders) rather than the formal sectors traditionally represented by the COB.

member proportional (MMP) electoral system. Starting with the 1997 election, Bolivian voters were given two choices. In addition to their vote for a presidential candidate, they were given a second vote for a "uninominal" representative to the lower legislative chamber elected from a single seat district.[2] The apportionment of seats per departments (and, subsequently, district magnitude) was also changed before the 1997 election, giving more seats to La Paz and Santa Cruz while taking away seats from three departments (see Table 5.1). The reapportionment increased the electoral weight of the departments of the *eje central.* Voter turnout during this period also stayed relatively stable (with a slight increase to 72.06% in 2002); the continued decline noticed between 1985 and 1993 stopped, suggesting that voter turnout bottomed out at 69.95% in 1997. Finally, the effective number of electoral parties was also similar across 1997 and 2002 (5.9 and 5.8 respectively)—and a marked increase from the previous period.

Table 5.1

Number of lower house seats per department

Department	1985-1993	1997-2002	Change
La Paz	28	31	+3
Cochabamba	18	18	
Oruro	10	10	
Potosí	19	15	–4
Chuquisaca	13	11	–2
Tarija	9	9	
Santa Cruz	17	22	+5
Beni	9	9	
Pando	7	5	–2
Total	130	130	

Based on data from the National Electoral Court.

[2] The presidential vote was still used to elect about one half of the representatives to the lower house, as well as members of the Senate. For a description of Bolivia's mixed-member electoral system, see Chapter 3.

This period also saw a growing regional political polarization. Whereas from 1985 to 1993, the three systemic parties won substantial shares of the votes across all departments, by 2002 substantially different regional party systems were noticeable. Though different regional voting patters were previously discernable, by 2002 regional party systems across Andean and *media luna* departments were markedly different. And while support for systemic parties remained high across the *media luna*, a substantial political dealignment was noticeable across Andean departments. Since 1985, Andean departments had higher electoral volatility and effective number of electoral parties measures than those in the *media luna*. Despite growing rejection of systemic parties across Andean Bolivia, voters there had not yet realigned into a stable party system structure to challenge the status quo. Though this erosion of popular support for systemic parties and their policies was significant, the continued support for systemic parties among *media luna* departments was enough to overcome weak electoral opposition from the Andes.

The *Participación Popular* and Its Impact

Any discussion of post-1993 elections requires a brief overview of the decentralization reforms of the first Sánchez de Lozada presidency (1993-1997). Though this study focuses on national-level electoral contests, the 1994 Ley de Participación Popular (LPP) fundamentally altered the political landscape with significant consequences for subsequent presidential and parliamentary elections, as well as the transformation of national and regional party system. One of the most sweeping decentralization reforms in the region, the LPP transferred fiscal resources and policy authority from the state level to local, municipal governments. To do so, the technical team responsible for the reform had to delimit 311 municipal units (since expanded to 327) with popularly elected council

governments. The move was an alternative to proposals for a federal structure that would instead devolve authority to the nine departments.[3] Referenced by many protagonists as a "revolutionary" reform on par with the 1952 Revolution (see Barbery Anaya 1997; R. Mayorga 1997), the LPP was part of a broader package of educational, administrative, agrarian, and economic reforms meant to "deepen" Bolivia's democratization.

The consequences of regular, local elections on Bolivian political life were profound. At first, parties and analysts alike viewed the municipal elections (which did not coincide with national elections) as measures of popular support for the incumbent government in between national elections. Such was the case with the 1995 and 1999 general elections. Yet it soon became apparent that municipal government—perhaps more so than the direct election of uninominal deputies—altered the dimensions of party politics at the sub-national level. Whereas before, political aspirants had to carefully rise through the ranks of the traditional political parties, they could now begin their political careers through popular electoral support. Likewise, smaller parties could "go it alone" in local contests where they had strong, concentrated popular support (e.g. indigenous parties). From there, local leaders—with electoral claims to popular legitimacy—could gain political and administrative experience for use in future elections. More importantly, successful (or at least popular) local leaders could use these new political (and fiscal) resources to then launch national political careers. Such was the case with Manfred Reyes Villa, who used his position as mayor of Cochabamba (the country's third-largest city) to build a political machine powerful enough make him a serious contender in the 2002 presidential contest.

[3] For a detailed overview of the debates leading up to the LPP reforms, see Centellas 2000.

The 1997 Election

The 1997 general election was the first election after a series of institutional and electoral reforms. These included the change to an MMP electoral system, a formal electoral threshold (3%), a gender quota for candidate lists (30%), and state funding for electoral campaigns. The election also followed on the heels of a sweeping "municipalization" of the country—through the 1994 Ley de Participación Popular—that created local arenas for political competition. As such, it marked a transition between the two electoral periods. In many ways, however, the 1997 campaign echoed the style and substance of the 1993 campaign, with relatively little attention paid to uninominal candidates in their own right. As in previous elections, no candidate won a majority. This time, however, votes were closely grouped around a total of five parties, evidence of a highly fragmented national electorate. And though parliament could now only choose between the two front-runners (who together won less than forty percent of the vote) a new government was announced only days after the polls closed. A grand multiparty coalition—known as *la megacoalición* (or simply *la mega*)—formed around ADN and Banzer. The new government also marked another peaceful transfer of power, with the co-governing MNR and MBL going together into the opposition.

Parties and candidates

A total of ten parties participated in the 1997 general election, four fewer than in 1993. Of these, only two belonged to the socialist left, one belonged to the *katarista* movement, and another (PDB) represented an independent centrist movement led by

Eudoro Galindo.[4] The remaining six parties represented centrist movements aligned with the neoliberal economic model. These were the three systemic parties (ADN and MIR campaigned separately), the center-left MBL, and the populist Condepa and UCS. A possible exception was Condepa, which used an anti-establishment rhetoric throughout its campaign, but showed itself willing to align itself with any majoritarian coalition government. The 1997 electoral campaign marked the lowest point (electorally) for the Bolivian left, though this would eventually turn into the beginning of its recovery—by taking advantage of the new institutional spaces available. The election also saw parties actively seek to balance their tickets, specifically seeking alliances with indigenous and other independent social movements.

ADN entered the 1997 campaign as a broad coalition supporting Banzer's sixth presidential bid since 1979. The polyglot coalition included the Christian Democrats (PDC), a new populist party (NFR, Nueva Fuerza Republicana) founded by the mayor of Cochabamba, the Evangelical-right ARBOL, the Bolivian Falange, as well as two indigenous movements—Katarismo Nacional Democrático (KND) and Movimiento Originario Revolucionario (MOR).[5] It was officially listed as ADN-NFR-PDC on the ballots. Banzer's 1997 campaign took a turn back towards the right, with an emphasis on nationalist discourse; his efforts to build alliances with indigenous leaders and movements suggested a return to the post-1964 military-*campesino* pact. Additionally, the campaign named Jorge Quiroga—recognized as "the general's dauphin"[6]—as its vice presidential candidate. A

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[4] Eudoro Galindo had been the vice presidential candidate for ADN in 1985; he was elected to parliament in 1989 and 1993 as an MNR candidate. The party's platform and campaign resembled that of MBL in 1993.

[5] KND was previously MKN; its 1993 presidential candidate, Fernando Untoja, would be elected a plurinominal deputy from Oruro for the ADN-NFR-PDC alliance.

[6] *Hoy* (2 January 1997).

former finance minister in the AP government, Quiroga represented ADN's young, technocratic wing. As in previous elections, the Banzer campaign was confident of victory.

In contrast, the MNR entered the campaign in a state of relative disarray. The party first nominated justice minister René Blattmann, a political independent personally selected by Sánchez de Lozada. By March, Blattmann had unexpectedly left the presidential race, leaving the MNR without a candidate. Though elections were not scheduled until 1 June, the mayor parties had been actively campaigning since January. The party hastily nominated Juan Carlos Durán, the party's ranking senator from Santa Cruz. Despite friction between Durán and Sánchez de Lozada, the party soon closed ranks behind the new candidate. Nevertheless, it was openly admitted that the slow start with a relatively unknown (at the national level) candidate was a serious limitation. There was also a great deal of tension during the campaign between many members of the rank-and-file (particularly those who thought the 1993-1997 government gave too many political positions to independents and MBL members rather than to loyal *movimientistas*) and Sánchez de Lozada. For the first time, many in the party were worried about their performance at the polls.

Paz Zamora was again his party's presidential candidate. For 1997, MIR returned towards a center-left discourse, though still not far from its former coalition member, ADN. The party was again supported by Zamora Medinacelli (FRI), as well as by the smaller MCB (Movimiento Campesino de Bases) and ASD (Alternativa al Socialismo Democrático).[7] As in 1985 and 1989, MIR positioned itself as a nationalist-left party with an *entroque histórico* between socialism and revolutionary nationalism.[8] Like the ADN campaign, the MIR ticket

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[7] ASD was a dissident faction of the communist party.

[8] The word *entroque* (a barbarism of *entrocar*) literally means an "encounter" or "accommodation" or "joining" between two things. Its ideological use in this context is derived from dialectics: the *entroque histórico* between socialism and revolutionary nationalism is a point in historical space were the two meet, and accommodate themselves to each other, creating a new reality. The concept's evolution is in many ways similar to the

included a young technocrat as the vice presidential candidate. A former planning minister in the AP government, Samuel Doria Medina was a well-known entrepreneur from Chuquisaca. The party seemed guardedly optimistic of success and from the start declared its willingness to enter into a coalition government.

By 1997, MBL was a center-left party closely tied to the MNR. Although it retained its social policy and anti-corruption platforms, the party was no longer directly opposed to the post-1985 economic structural reforms and instead focused on reforms "within the model" to ameliorate social problems. This time the party named Miguel Urioste as its candidate, though its candidate list was little changed from 1993. The party also nominated Marcial Fabricano, an independent indigenous leader from the eastern lowlands, as vice presidential candidate.[9] The move echoed the 1993 MNR-MRTKL pre-electoral alliance and was meant to demonstrate continued commitment to the "multiethnic and pluricultural" Bolivia, as stipulated in the 1995 constitution's preamble.

The two populist parties, Condepa and UCS, both went to the polls in 1997 without their charismatic founders. Max Fernández had died in November 1995, leaving his party in the hands of his son, Johnny Fernández. The party named Ivo Kuljis—the 1993 Condepa vice presidential candidate—as its presidential candidate.[10] Condepa had started the campaign with Carlos Palenque, but his death only three months before the election led the party to name Remedios Loza (his on-air partner) as its presidential candidate. Unlike 1993, this time both neopopulist parties were acknowledged as serious electoral threats to the three systemic parties, especially if parliament would select a president from only among the top

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MNR's formulation of a *revolución en democracia* (a "revolution within democracy") developed between 1993 and 1997 (see note 17).

[9] The Guaraní leader, Fabricano, had also been courted by MIR, which wanted him for its vice presidential candidate.

[10] Johnny Fernández did not yet meet the minimum age requirement (35 years) to run for president in 1997.

two (rather than three) front-runners. Nevertheless, internal strains following the death of their central leader were soon evident within Condepa, as many of its 1993 candidates defected to other party lists.

The Bolivian left in the 1997 election was reduced to only three, divided electoral fronts, none of which were expected to do well. Early in the year, there was an alliance between VSB (Vanguardia Socialista Boliviana), a re-named PS-1 led by Jerjes Justiniano, and Eje-Pachakuti, and indigenous party led by Ramiro Barrenechea. Unlike other indigenous parties, however, Eje was more closely tied ideologically to the Marxist left than had other, more "autochthonous" *katarista* parties.[11] The two were allied until March; after the breakup, a VSB spokesperson explained that it had become unclear whether the *campesinos* would support IU or Eje.[12] The other electoral option on the left was the "People's Front" alliance between IU and the recently-formed ASP (Asamblea para la Soberanía del Pueblo) which principally represented the *cocalero* syndicates of the Chapare region. The IU alliance led by the Communist Party (PCB) included MAS-U, FSN, and FULKA. Between January and February, several names were speculated as potential presidential candidates for the IU-ASP electoral front, including Evo Morales.[13] The alliance eventually named Alejo Véliz (ASP). As late as February, IU expressed interest in an alliance with the rest of the left, but its spokesperson accused Jerjes Justiniano of *"caudillismo"* and for refusing to submit candidates

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[11] Autochthonous *katarista* parties include MRTKL and FULKA. Such parties emphasized their own "endogenousness" over ideology, even rejecting reliance on "foreign" Marxist ideologies that were not developed from their own indigenous experience. In the Bolivian lexicon, *autóctono* (a term learned from anthropologists) is used to describe "truly native" phenomenon (e.g. music, art, clothing) that is categorically different—and more "pure"—than phenomenon marked by external influences. By 1993, Eje-Pachakuti had moved towards an ethno-separatist position, but much of its leadership still expressed a Marxist ideological orientation and analytical framework.

[12] *La Razón* (4 March 1997).

[13] Other potential candidates discussed included Manuel Morales Davila (FSN) and three PCB members: Marcos Domic, Ignacio Mendoza, and Simón Réyes. Evo Morales went on to be elected as a uninominal deputy.

to approval from "the bases" (local, grass-roots social movements and syndicate organizations).[14] In the end, the left entered the 1997 election extremely marginalized and with continued partisan divisions.

The Electoral Campaign

The 1997 electoral campaign marked the apex of neoliberalism in Bolivia. All of the major candidates accepted the basic neoliberal model in place since 1985; only the three, marginalized candidates on the left challenged the model.[15] By 1997, election campaigns had also become lengthy and complex processes, with most parties devoting a great deal of attention to internal polling, television and image consultants, and other "media politics" strategies. Parties began gearing up before the end of 1996—six months before the 1 June 1997 election—and most parties had their campaign strategy teams (if not their candidates) in place by January. The Bolivian press also began to devote attention to the campaigns themselves (e.g. their finances, who their outside consultants were, leaked strategy rumors), going beyond simply focusing on candidates. By now, formal electoral democracy was consolidated and the general election was taken for granted; no groups called for a voter boycott. The campaigns again focused on the personal qualities of their presidential candidates, with only the three leftist parties attacking the neoliberal framework in place since 1985. As in previous elections, no presidential candidate was expected to win a majority of the popular votes, and speculations about potential post-electoral alliances were

[14] *Hoy* (17 February 1997).

[15] IU, Eje-Pachakuti, and VSB, as well as the center-left PDB, were rarely mentioned in the electoral coverage, which focused on the remaining six parties (MNR, ADN, MIR, MBL, Condepa, and UCS). When they were mentioned, they were referred to as "small" or "minoritarian" parties. The newspaper that gave the most coverage to these parties was *La Razón*, which overall had the most extensive and comprehensive coverage.

common throughout the six-month campaign. More than in 1993, candidates sent each other clear signals suggesting such potential alliances.

There was no single key issue during the campaign, though several parties brought attention at various times to issues as varied as coca eradication, unemployment, small business support, and education. Instead, the issue-oriented campaign revolved around "management" questions. The systemic opposition (ADN and MIR) did not challenge the incumbent government's general economic policy framework, but criticized it for not expanding the economy fast enough. In response, the government parties (MNR, MBL, and UCS) simply defended their record. MBL's Juan Del Granado campaigned on the promise to "deepen the transformations begun in 1993."[16] Similarly, many in the MNR echoed Sánchez de Lozada's call for a "revolution within democracy" meant to expand the 1993-1997 reforms.[17] Instead of specific issues, most of the campaign media coverage focused on presidential candidates' personalities and internal campaign strategies.

The campaigns also frequently focused on personal scandals or hiccups within campaigns, such as the *narcovinculos* case that followed Paz Zamora.[18] Due to the scandal, the United States had rescinded the travel visas of several MIR members (including Paz Zamora) in 1995. While the US embassy denied accusations that it was "de-Bolivianizing" the vote or threatening to "veto" a Paz Zamora presidency, incumbent president Sánchez de Lozada warned that a Paz Zamora presidency would damage bilateral relations with Washington.

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[16] *La Razón* (5 January 1997).

[17] The phrase *"revolución en democracia"* was frequently mentioned during the campaign. The term is meant to explain the transformation of the MNR's ideological program from the 1952 corporatist-nationalism to the new liberal-pluralism. For an overview, see San Martín Arzabe 1998.

[18] The issue stemmed from accusations that high-ranking members of MIR had collaborated with narcotrafickers during the 1989-1993 AP government. The party's sub-chief, Oscar Eid Franco (the 1985 vice presidential candidate), was implicated in 1996 and held in prison for four years. Eid Franco and members of his party continued to declare their innocence, declaring the trial a political persecution by Sánchez de Lozada and the MNR to disrupt their 1997 campaign. For a contemporary review of the case, see *LAWR* 1996.

The issue took center stage during April, after a diplomatic memo was leaked that showed that the US would not block a Paz Zamora presidency, though it might apply economic sanctions (by reducing economic assistance). Interestingly, the MIR campaign chose not to adopt an anti-imperialist response, but rather "celebrated" the news that Washington would not block their leader's victory.[19]

Another campaign hiccup involved the issue of gender quotas. On 31 March, the National Electoral Court (CNE) declared that seven parties had to revise their candidate lists because they did not meet the gender quota in the new electoral law. Only the MNR, ADN, and MBL had met the requirements.[20] Several parties were required to modify their lists in a few departments. The parties with the least female representation in their lists were Eje-Pachakuti, VSB, and IU, which did not include a single female name in their senate candidate lists.[21] The parties were given an extension to submit revised candidate lists.

Unlike 1993, none of the campaigns published comprehensive platforms, focusing instead on television "spots" and other means to push slogans and candidate image. Several campaigns admitted that their first priority was simply to familiarize voters with their candidate.[22] In particular, the MNR focused much of its March campaign familiarizing voters with Durán, the replacement presidential candidate, who was a relatively unknown figure outside Santa Cruz (which he had represented in parliament since 1989). Similarly, MBL and UCS dedicated much of their time familiarizing voters with Urioste (a social scientist and

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[19] *Presencia* (11 April 1997). Later in the campaign, when asked about a potential "veto" by the US, Paz Zamora called the rescinding of his visa "unjust," but said that the US made its decisions based on "reasons of state," then countered that "if there was a veto against me I would not have [just] shared dinner with the president of the IMF" (see *Presencia* 26 May 1997). Such a response by Paz Zamora and MIR stands in stark contrast to the response to similar speculations of US reaction in 2002 by Evo Morales and MAS.

[20] The electoral law stipulated that one in every three candidates (both titular and substitute) in plurinominal lists must be female; senate candidate lists must include at least one female candidate (titular or substitute).

[21] *La Razón* (1 April 1997); *Presencia* (1 April 1997); *Opinión* (1 April 1997).

[22] *Hoy* (6 March 1997).

political analyst) and Kuljis (a Santa Cruz business mogul). Even established candidates such as Banzer and Paz Zamora reverted to gimmicks. Paz Zamora employed a *gallomóvil*—a rooster-shaped truck that toured the country. ADN adopted a popular pop song ("Tic-tic-tac") to give its campaign a "youthful, energetic image."[23] Condepa again relied on the popularity of its charismatic founder. By May, however, the campaigns took a negative turn leading to several denunciations before the CNE. These included accusations that ADN and NFR operatives had bugged MNR campaign telephones, accusations that the yearly BONOSOL pension payments was an MNR campaign tool, and accusations that the MNR was behind an independent organization's television spots comparing Banzer to Garcia Meza. The series of negative attacks in the last weeks of the campaign led the CNE to call on parties to sign a "gentlemen's agreement" document.[24]

Interestingly, several of the major parties self-identified themselves as "middle class" parties. The MNR's Raúl Lema recalled the party's history as a *partido policlasista* (a "polyclass party") when he stated that the MNR continued to "express the country in its totality"—but acknowledged that the middle class had been a predominant force within the party since 1964.[25] In contrast, Hugo Carvajal deliberately described MIR as a middle-class party, adding that his party had "matured" politically and moved from its "adolescent" idealism to a phase of "new political projection."[26] Even Condepa's Eduardo Paz remarked that his party was an expression of the new "*cholo* bourgeoisie" (artisans, merchants, and industrialists) who felt excluded from the "official" (*criollo* or "white") entrepreneurial community; still, he also

[23] *Hoy* (6 March 1997).

[24] Yelka Aguilera Santos, *El Diario* (18 May 1997).

[25] *Hoy* (2 February 1997).

[26] *Hoy* (2 February 1997).

articulated his party's roots in an Aymara Altiplano consciousness.[27] A significant number of candidates were independent businessmen, prompting Juan Antonio Chahín (UCS vice presidential candidate) to declare: "this is the historical moment of the Bolivian businessman."[28] Such pro-market confidence was most directly expressed in UCS, whose presidential candidate (Kuljis) promised to "maintain the economy's stability" and declared that Bolivians "only have to work to get out of poverty."[29] The campaigns' heavy coverage of and attention to the business acumen and managerial skills of potential presidents reflected an image of governance as primarily a technical rather than an ideological or political matter.

Candidate debates (or *foros*) were more restricted in 1997. The main multi-candidate debate was held in Santa Cruz (hosted by CAINCO on 25 March) and included only the five presidential candidates from MNR, ADN, MIR, UCS, and MBL. The Condepa candidate (Remedios Loza) was invited, but chose not to attend. None of the candidates at the *foro* criticized the neoliberal economic model, though they proposed ways to improve social conditions. Interestingly, the MNR candidate, Juan Carlos Durán, criticized his party's incumbent president for not keeping his promises; when pressed by a discussant about the 500,000 jobs promised in 1993, Durán bluntly responded: "Go ask Goni, don't ask me."[30] The main television debate (Canal Bolivisión, 1 April) was limited to only three candidates: Banzer, Durán, and Paz Zamora. That debate revolved around personality, rather than issues, and was criticized by several of the parties not invited to the debate. Condepa's spokesperson qualified the exclusion of their candidate as "discrimination." In contrast, UCS

[27] *Hoy* (2 February 1997).

[28] *Opinión* (8 March 1997).

[29] *Opinión* (26 March 1997); *Opinión* (30 March 1997).

[30] *Opinión* (26 March 1997).

vice presidential candidate (Chahín) only suggested the debate was "flavorless," but had positive things to say about the MNR candidate. IU's Marcos Domic called the televised debate "tasteless" and "without substantial differences" since none of the candidates opposed the neoliberal framework.[31] The final debate (on 25 May)—moderated by Carlos Mesa—was again limited to only Banzer, Durán, and Paz Zamora. Banzer's status as an ex-dictator was raised by one of the discussants, to which Banzer replied that his conscience was clear and that he had "nothing to ask God's forgiveness for."[32] Overall, the 1997 presidential debates showed a convergence around neoliberalism, with anti-neoliberal candidates excluded, and focusing on the three systemic parties.

The leftist parties were further marginalized by the controversial electoral reform that established state funding electoral campaigns. Under the new law, parties were awarded funds based on their share of votes in the previous election (parties that did not exist in the previous election received no state funding); parties and candidates were free, of course, to spend their own funds. Parties would also have to return whatever money they spent on their campaign if they did not meet the electoral threshold. Based on the 1993 general election results, nearly 70% of the state funding went to only three parties: the MNR, ADN, and MIR.

Despite being marginalized throughout most of the campaign, the left's candidates were also deeply divided in public. Carlos Mesa interviewed the presidential candidates from IU (Alejo Véliz) and Eje-Pachakuti (Ramiro Berrenechea) on his *De Cerca* (Up Close) television program on 1 April. IU's Marcos Domic praised his candidate's performance and

[31] *Hoy* (2 April 1997).

[32] *Presencia* (26 May 1997).

contrasted Véliz's "serenity and firmness" to Barrenechea, who "went off on tangents."[33] In part, the divisions were ideological (particularly between Marxist-Leninist, Maoist, and Trotskyite positions). Justiniano (VSB) reflected an orthodox Marxist perspective. In an interview with Guido Peredo Montaño (*Los Tiempos*, 13 May 1997), Justiniano criticized the neoliberal model, before adding: "the left has a scientific method, historical materialism, which permits an analysis of reality." The remainder of the interview reflected an orthodox Marxist vision, complete with an analysis of the "internal contradictions" found within the neoliberal market-driven model. At the other extreme was IU, which had abandoned ideological orthodoxy and turned towards a more traditional syndicalist strategy, as the legally registered "IU" became more a political vehicle for a variety of rural and sectorial syndicates aligned with the ASP. Within a few years, the ideologues of the traditional IU alliance would be marginalized by a new set of un-ideological leaders who relied more on syndicalist and other social movements than on ideological arguments.

Election Results

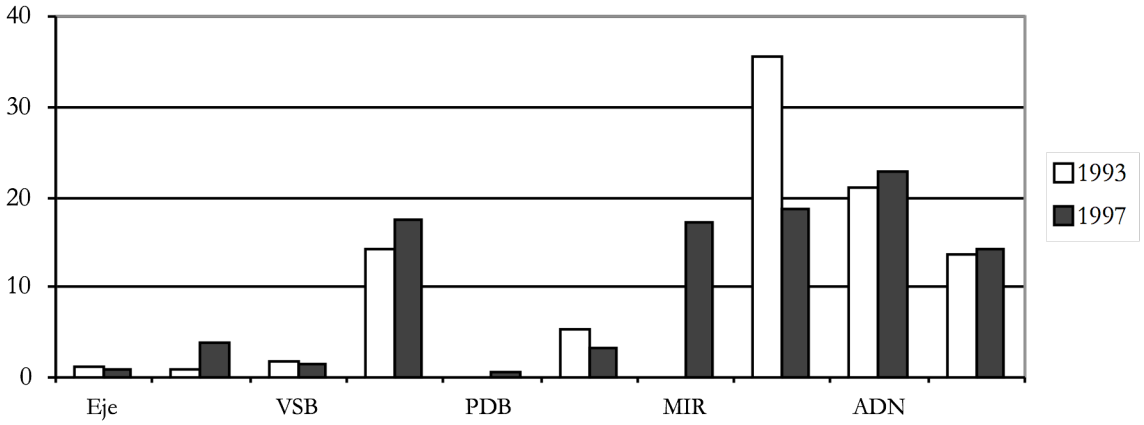
The 1 June 1997 general election was marked by a broad dispersion of the popular presidential vote between five candidates. Though Banzer was the plurality winner (22.75%), the fifth-place Kuljis was not far behind (14.30%). Banzer did increase his vote share slightly from 1993, but by less than two percent points. Moreover, the continued decline in voter turnout (to 69.95%) meant that for the first time more registered voters had abstained than had voted for the plurality winner. The MNR saw the sharpest decline (relative to 1993) in voter support of any party in 1997, losing almost half of its 1993 vote share. The aggregate share of votes for the three systemic parties was also only 58.46%, comparable to their

[33] *Hoy* (2 April 1997).

collective share in 1993. Much of the rest of the vote was distributed among the neopopulist parties, which accounted for nearly a third of the valid vote. The 1997 election also saw the first signs of a leftist recovery, with IU—the only leftist party to increase its vote share—increasing its vote threefold to just over three percent of the total valid vote. The effective number of electoral parties also increased substantially (to 5.9). Finally, just as voter turnout continued to decline, the share of blank and null presidential votes increased slightly as well (to 3.37% and 2.95% respectively).

Figure 6.1

Change in support for parties between 1993 and 1997 as percent of valid vote



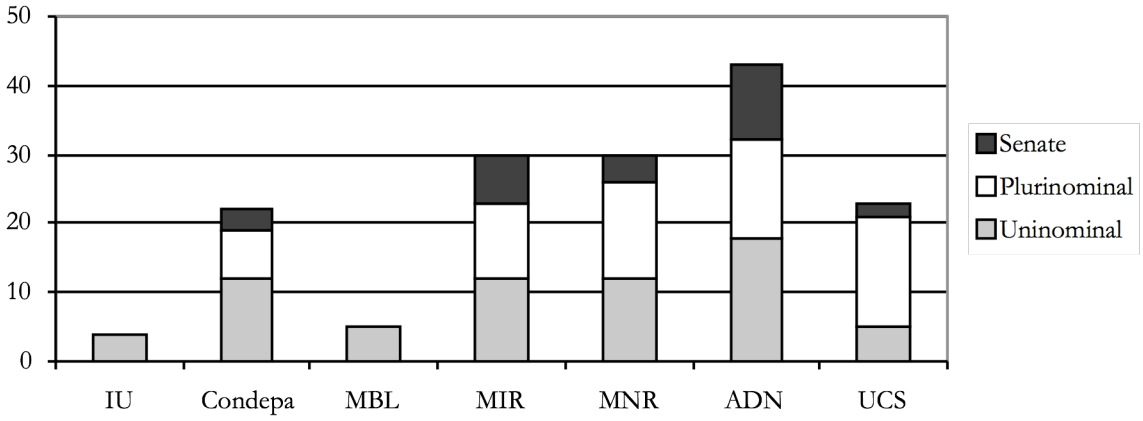
ADN figures for 1993 reflect AP alliance.

Banzer's 1997 plurality victory would be the second-lowest plurality victory of any Bolivian democratic election. This election also was the first in which department votes varied dramatically (see Table 5.2). With the exception of Condepa (which did not receive more than 3.45% of the vote in any *media luna* department), votes for the five largest parties were fairly balanced across departments. Nevertheless, the first and second place winners varied widely. While the MNR did not win a single department, it placed second in four (all

in the *media luna*). In many departments, however, the MNR was only narrowly edged out.[34] In contrast, first-place ADN and fourth-place MIR won the most senate seats. MIR won in three southern departments (Chuquisaca, Potosí, Tarija) and placed second in Cochabamba. ADN won in four departments (Cochabamba, Oruro, Beni, Pando) and placed second in three others (Chuquisaca, La Paz, Potosî). Condepa won in La Paz and placed second in Oruro; UCS won in Santa Cruz. The result was a senate that included five parties, none with a majority.

Figure 6.2

Parliamentary representation by party, 1997



Though the number of parties that won parliamentary seats decreased (by one) to seven, the effective number of legislative parties increased sharply to 5.5. This reflected the relatively equal dispersion of seats between five large parties. By 1997, Bolivia had shifted from a three-party system to a five-party system. Other than the five major parties, only MBL and IU surpassed the electoral threshold (3%), though they won all their seats from

[34] The narrowest margin was in Chuquisaca, were the MNR came in third behind ADN by only 910 votes.

uninominal districts. Despite the use of an electoral threshold and a D'Hondt counting formula, the aggregate disproportionality decreased to 0.033, though differences within departments were again mixed.

The election results also reflected growing discontentment with neoliberal economic policies. Though the candidates from the six largest parties supported continued market-oriented economic policies, all of them –including the MNR's Durán– had campaigned criticizing some of the social costs of the neoliberal reforms and promising to improve the state's economic regulatory capacity. Banzer had rigorously campaigned with the promise of a "social market economy" (modeled after the German post-war economy) as an alternative to neoliberalism.[35] The party with the strongest anti-neoliberal discourse (outside the left) was Condepa, which saw the highest increase in vote share of any of the major parties. The party also deepened its share of votes in the Andean departments of Oruro and Potosí. As in previous elections, La Paz was the department that least supported the systemic parties with only 43.59% of the valid vote and only 13 of the department's 31 lower house seats. In contrast, Condepa alone took 40.83% of the department's valid vote and 14 lower house seats (11 of them from single-seat districts).

The differences across departments in 1997 demonstrated the importance of regional strongholds (see Table 5.3). Though the MNR was competitive across most departments—which accounted for the party finishing second in the presidential vote—it was unable to win a single department. In contrast, Condepa, with significant presence in only three departments, was able to secure nearly as many legislative seats due to regional vote

[35] This economic model was promoted in Bolivia by both Fundación Milenio (funded by the Christian democrat Konrad Adenauer Stiftung) and ILDIS (funded by the social democrat Friederich Ebert Stiftung).

concentration. Similarly, fourth-placed MIR secured as many seats as the second-place MNR by its heavy vote concentration in southern departments.

Table 6.2

Percent of valid vote for leading presidential candidates by department, 1997

	Hugo Banzer (ADN)	J. Carlos Durán (MNR)	Remedios Loza (Condepa)	Paz Zamora (MIR)
La Paz	20.16	12.16	**40.83**	11.27
Cochabamba	**25.32**	13.22	3.83	19.65
Oruro	**23.16**	16.88	20.87	17.20
Potosí	19.39	18.53	12.13	**21.86**
Chuquisaca	19.70	19.00	9.52	**20.32**
Tarija	11.10	26.38	3.45	**42.48**
Santa Cruz[a]	20.04	25.04	2.13	15.77
Beni	**34.23**	32.63	1.49	9.30
Pando	**40.68**	27.88	2.76	14.48
National	22.75	18.59	17.52	17.12

Based on data from the National Electoral Court.

[a] UCS placed first in Santa Cruz with 27.62% of the valid vote.

In terms of the major parties, the uninominal districts had mixed effects, but reflected the parties' previous strongholds. Several MBL uninominal candidates were competitive nationwide, but where it won its five seats was in rural Chuquisaca (2), the city of La Paz (1), and rural Potosí (2).[36] ADN swept the three Pando districts, most of Beni, and all of the Cochabamba city districts. The latter were in large measure due to the alliance with NFR, the right-populist party whose political machine dominated the city. MIR did best in Tarija, where it won four of five uninominal seats. The MNR similarly did best in its traditional strongholds across rural Santa Cruz and Beni, where it won five uninominal seats. The party that did least well with uninominal candidates was UCS, which despite its high

[36] The La Paz city district was contested by Juan Del Granado, one of the most prominent figures in the party and a member of the city's middle class intelligentsia. The four rural districts were in the rural countryside just north of Sucre, areas where the MBL had historically done well.

presidential vote share, only managed to win five uninominal districts –four of them in Santa Cruz and one in Oruro (the birthplace of the party's founder, Max Fernández).

Again, the anti-systemic vote was heavily concentrated in El Alto and the Andean Altiplano, but now also included the Cochabamba valleys (particularly around the Chapare coca fields). Condepa won three of four uninominal seats in El Alto and placed second in the other by 814 votes. The self-described "endogenous" party also won five of six rural uninominal La Paz districts and placed second in the other by 915 votes. Anti-neoliberal votes were highest in Cochabamba, where IU won four uninominal districts and placed third (five percent points ahead of the MNR) with 20.20% of the department-wide presidential vote.[37] Similarly, IU won four of five rural uninominal districts in Cochabamba. Uninominal votes were strongly correlated with presidential votes across most of the country, and in Cochabamba's rural uninominal districts, the IU presidential candidate won a clear majority in two of the districts and first pluralities in all but one district (where it lost to MIR by 616 votes). Although IU did poorly in every other department, as well as in the urban Cochabamba districts, 1997 marked a turning point for a reinvigorated syndicalist left. Overall, the same areas that had regularly opposed the three dominant systemic parties again voted for opposition candidates and parties. Unlike in previous elections, this time they elected a large number of deputies. The 1997 general election demonstrated that even small parties, if they are heavily concentrated in a single region, could elect a significant number of legislators.

[37] Among the uninominal deputies elected by IU was Evo Morales, who won 70.13% of the valid vote in his district, the highest share of any uninominal deputy elected.

Government Formation

As in the previous elections, no candidate won an absolute majority and it fell to parliament to elect a president. This time the coalition government was formed within hours after the polls closed. While the MNR waited for official results, ADN and MIR representatives begun crafting a coalition agreement by dawn of 2 June—the day after voters went to the polls. Early returns showed ADN the likely plurality winner, while the MNR, MIR, and Condepa still disputed second place in the early counts. In a press conference shortly after midnight, only hours after polls closed, Banzer declared himself the winner and promised "a government without rancor or discord."[38] Before the morning editions of most newspapers on 2 June, several parties were already positioning themselves for an alliance with Banzer. The fifth-place UCS candidate, Ivo Kuljis, declared himself willing to "receive of give its political support to any party in order to form a government."[39] MIR showed itself disposed to an alliance with ADN. Shortly after midnight following the closing of the polls, Paz Zamora recognized "the ample electoral victory of the General Hugo Banzer" and assured that a government would be formed by 6 August.[40] Paz Zamora also declared the election as a sign that Bolivians had voted for change and "celebrated the defeat of *gonismo*." Though MIR was still a potential second place finisher, Paz Zamora ensured his party would back ADN. The only condition was that MIR's vice presidential candidate, Samuel Doria Media, should be made vice president (as the ADN candidate had been in 1989) in the event that MIR finished second place in the official results.[41] Condepa's Remedios Loza announced a party assembly to decide on any future alliance.

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[38] *Presencia* (2 June 1997).

[39] *Primera Plana* (2 June 1997).

[40] *La Razón* (2 June 1997).

[41] *El Diario* (3 June 1997).

In contrast, the incumbent president, Sánchez de Lozada, declared that he felt confident that voters had voted "for continuity" but insisted that it was too early to speak about possible coalitions without knowing the official final results. The MNR party chief further declared that his party was willing to negotiate an alliance that "guaranteed continuity of structural reforms."[42] The MNR presidential candidate, Durán, insisted that he had won a "comfortable second place" and would wait for final results to measure his party's bargaining position before engaging in coalition building. He also insisted that any such negotiations would go through him, and not the party chief (Sánchez de Lozada).

Ironically, though Banzer had insisted that he did not want his government to be a *"juntucha"* (colloq. "potluck"), his 1997 coalition (*la megacoalición*) was the broadest since democratization, including nearly every electorally significant party.[43] On 4 June—five days before official results were announced and with several legislative seats still uncertain—Banzer signed two separate coalition agreements. The first was the "Compromise for Bolivia" between ADN, MIR, and UCS. The second was a separate "Pact for Democracy and the Common Good" between ADN and Condepa. Combined, this gave Banzer a parliamentary supermajority with 95 deputies (73% of the lower house) and 23 senators (85% of the Senate). The cabinet would be dominated by ADN, which retained seven of fourteen posts (including the Chancellery); the remaining seven posts were distributed between MIR, NFR, UCS, and Condepa.[44] On 5 August 1997, when congress convened to officially elect the new Bolivian president, Banzer received 118 votes; only the MNR's 30 deputies and senators voted for Juan Carlos Durán.

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[42] *La Razón* (2 June 1997).

[43] *Hoy* (26 February 1997).

[44] MIR received the most ministries, including Health, Labor, and Commerce. Condepa was awarded the ministries of agriculture and housing. The ministry of economic development went to Kuljis (UCS) and Erick Reyes Villa (NFR) received the ministry of sustainable development.

Table 6.3

Government and opposition parliamentary strength, 1997

	Uninominal Deputies	Plurinominal Deputies	Senators	Total
Government parties	47	48	23	118
ADN	*18*	*14*	*11*	*43*
MIR	*12*	*11*	*7*	*30*
UCS	*5*	*16*	*2*	*23*
Condepa[a]	*12*	*7*	*3*	*22*
Opposition parties	21	14	4	39
MNR	*12*	*14*	*4*	*30*
MBL	*5*			*5*
IU	*4*			*4*

Data from the National Electoral Court.
[a] Condepa was dismissed from the government coalition on 6 August 1998.

The new Banzer government began with little effective opposition since *la mega* controlled supermajorities in both legislative houses. Nevertheless, because the governing coalition was so broad, it was often difficult for Banzer's government to coordinate policy objectives. In contrast, the MNR and MBL, which together held 35 parliamentary seats (31 in the lower house, a sizeable 25%), were able to mount a more coordinated opposition. The real Achilles heel of the 1997 coalition was Condepa. It was soon evident that the party had joined the coalition principally seeking spoils. Within a year, Banzer officially dismissed the populist party from his coalition. The move reduced his parliamentary strength to 76 deputies (58% of the lower house) and 20 senators (74% of the Senate). While this still left Banzer with a supermajority in the Senate, the government now had a narrower majority in the lower house.

Growing social unrest and declining popular support for political institutions marked the Banzer administration. Almost from the start, a series of protests by the COB in demand of increased salaries and widespread anti-government mobilizations by the *cocalero* syndicates

led by Evo Morales challenged ADN-led government. The *cocalero* protests were politically difficult, because the *cocalero* leaders (especially Evo Morales) sat in parliament, from where they enjoyed both a public audience and parliamentary immunity. Protests against the forced eradication of excess coca production in the Chapare led to numerous confrontations between *cocaleros* and government forces, often with loss of life. A critical moment was the April 2000 Cochabamba *guerra del agua* ("water war"), a series of protests against the announcement by the city's newly-privatized water company that it would increase rates by nearly 300 percent. The several days of street violence left one dead and more than a hundred injured. These were followed by mass assaults by CSUTCB members (led by Felipe Quispe) against military installations that resulted in at least six dead and several more injured. By 2001, the Banzer administration was in a state of perpetual siege by three types of social movements: the *cocaleros* led by Evo Morales, the indigenous *campesinos* of the CSUTCB led by Felipe Quispe, and a revitalized labor movement led by the COB.

Banzer did not finish his presidency. Diagnosed with lung cancer in July 2001, Banzer officially stepped down from office on 6 August 2001 and handed power to his vice president, Jorge Quiroga. Banzer died on 5 May 2002. Quiroga governed for only a year, though he was given a substantial "truce" by various social movements. In the end, Quiroga pursued much the same government policy as Banzer and retained the ADN-MIR-UCS alliance. By the time Quiroga stepped down from office in 2002, the country was in an acute political and economic crisis with a substantial portion of the electorate opposed to a continuation of neoliberal policies, though this electorate was still mostly concentrated in the city of El Alto, the rural Altiplano, and the coca growing regions of the Cochabamba valley.

The 2002 General Election

The 2002 election was a turning point in Bolivian politics. By the end of the Banzer-Quiroga regime, social unrest had increased substantially. The political party system in place since 1985 was in a crisis of popular legitimacy. Editorial pages of newspapers—which had frequently been critical of candidates or parties—were now openly critical not only of most (if not all) the major parties, but critical of the legitimacy of the electoral system itself. Unlike in previous elections, most editorials now denounced (where they once praised) the process of coalition building as "antidemocratic" or a system where "the losers have the key to power."[45] Similarly, because of the relative late start by most parties in nominating candidates, much of the early press coverage focused on the contentious nominations themselves as indicative of internal crisis within parties. Though the election results would show a marked polarization and rejection of "traditional politics" by a significant number of the electorate, the campaign was instead marked by a continuation of bitter infighting between the candidates of the most associated with the neoliberal economic reforms—a continuation of the campaign style seen in 1993. Meanwhile, two anti-neoliberal candidates attacked the traditional parties; these were MAS and MIP, which would form the most effective opposition legislative bloc since democratization. A constant reference to "crisis" (whether economic or political) also marked the 2002 election and was perhaps best exemplified by the MNR campaign.[46] In the end, the election produced another multi-party coalition government, though this time the stage was set for a weak government that would last only fourteen months.

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[45] Raul Prada, "El ocaso liberal," *La Prensa* (11 August 2002); Isaac Bigio, "Bolivia: donde ganan los que pierden," *La Prensa* (7 August 2002).

[46] For a look at "crisis" as a campaign strategy, see *Our Brand is Crisis* (2005), a documentary film of the Sánchez de Lozada presidential campaign.

Parties and Candidates

A total of eleven parties participated in the 2002 general election, only one more than in 1997, though half of these were new parties. Of these, only one (PS) represented the orthodox socialist left, one (MIP) belonged to the radical *katarista* movement, and another (MAS) represented a syndicalist-left opposition to neoliberal politics. Two parties represented independent centrist positions, though these soon lost their electoral potential. Condepa was in a state of crisis following bitter infighting between several factions, leading most of its leaders to defect to other parties (most often NFR or UCS). The remaining five parties represented the "traditional" party system, though NFR was a newcomer and frequently expressed anti-neoliberal, populist rhetoric. Most party campaigns had late starts compared to 1997, with most parties not defining their titular candidates until mid-March, only three months before the 30 June election.

The 2002 election marked the first time ADN entered an electoral race without Banzer as its presidential candidate. The party also could not count on Banzer's successor, the popular Jorge Quiroga, since an incumbent president is not constitutionally allowed to run for reelection. The party was also split early on, as several party members complained about the practice of *dedocracia* (lit. "fingerocracy") within the party, as Banzer still insisted on dictating the candidate lists. Efforts to internally restructure the party only increased the divisions between Banzer loyalists (the *dinosaurios*) and the modernizing *pitufos* (lit. "smurfs") who demanded a more democratic party structure. By March, members of the party's La Paz bloc loyal to Ronald MacLean, threatened to leave the party. In the end, the party named MacLean, a former La Paz mayor; he was joined by Tito Hoz de Vila. The two declared

themselves "candidates for change" and promised to "clean house" within their party.[47] The ADN candidates, however, received lukewarm support from the ADN political machine. Likewise, Quiroga publicly announced very early that he would not support any campaign "in order to not distract from [his] government."[48]

Sánchez de Lozada was again the MNR presidential candidate. This time Carlos Mesa, a public intellectual and television news anchor, accompanied him. The announcement was made on 4 February, beating most other parties in announcing their official candidates by nearly a month. The party was internally divided, however. Though the bulk of the rank and file backed the party chief (Sánchez de Lozada), three other factions vied in the party's internal elections. The deepest rift was between the MNR old guard, who backed Juan Carlos Durán and Moira Paz Estenssoro.[49] The MNR also continued its alliance with the center-left MBL, this time as a formal MNR-MBL joint electoral list. The Sánchez de Lozada campaign brought in a team of campaign advisors led by former Clinton advisor James Carville. With a slick media campaign under the slogan *"Bolivia sí puede"* ("Yes, Bolivia can") that combined negative attack ads against opponents with an emphasis on Sánchez de Lozada as possessing the necessary experience to deal with the crisis, the MNR campaign was confident of placing first in the polls.

MIR again named party chief Paz Zamora as its presidential candidate, though it had first pursued different pre-electoral alliances. Paz Zamora had courted an alliance with MBL, in large measure because of the small party's strong presence in Bolivia's southern departments of Chuquisaca, Tarija, and Potosí—regions considered important for any electoral victory. By 14 January, however, MBL had signed a formal agreement with the

[47] *Los Tiempos* (1 March 2002).

[48] *La Razón* (8 January 2002).

[49] The other two factions were led by Carlos Sánchez Berzaín and José Guillermo Justiniano.

MNR. As late as mid-March, there existed the possibility of an ADN-MIR alliance.[50] In the end, MIR went to the polls only with its usual ally, FRI. The party named Carlos Saavedra as vice presidential candidate.

The populist UCS entered the campaign allied with the Bolivian Falange (FSB). The move took the party further to the right, though it retained its populist rhetoric. Its presidential candidate was Johnny Fernández, who had inherited both his father's wealth and his political party. He was joined by a former CNN reporter and then-ambassador to the United States, Marlene Fernández Del Granado. Throughout its campaign, UCS would be plagued by a financial scandal –the refusal of the Fernández family to pay nearly $10 million in back taxes– that threatened Johnny Fernández' legal status as a potential candidate. The party was also joined by the faction of Condepa loyal to Remedios Loza.[51]

The 2002 election also saw the independent debut of NFR (Nueva Fuerza República), which had previously campaigned as part of the ADN-led 1997 electoral alliance. The party was founded by Manfred Reyes Villa, a former army captain who had served as Cochabamba mayor since 1992 (first as ADN, then as MBL) and was viewed as an effective municipal manager. His party also blended a charismatic populist appeal with a decidedly nationalist rhetoric. The combination allowed the party—frequently considered a right wing party due to its leader's former ties to the Garcia Meza military dictatorship—to form an electoral alliance with Alejo Véliz, the former IU presidential candidate. This alliance along with Reyes Villa's relatively anti-neoliberal discourse and its reputation as an "asystemic" party positioned the party electorally in the center-left. Despite a relatively late

[50] The potential alliance would have nominated Paz Zamora as the presidential candidate, with Tito Hoz de Vila as the vice presidential candidate –in effect, the reversal of the 1993 AP formula.

[51] Condepa entered the 2002 electoral campaign the party faction led by Carlos Palenque's daughter, Veronica Palenque. Leadership of the party was bitterly contested, however, between Veronica Palenque, Remedios Loza (Carlos Palenque's on-air partner), and Mónica Medina de Palenque (Carlos Palenque's widow).

start in the campaign, Reyes Villa was leading the April polls, leading him to pronounce that he was confident of winning "more than 50 percent of the vote."[52]

Another independent debut in 2002 was the campaign by MAS. In 1998, the Instrumento Político por la Soberanía de los Pueblos (IPSP) led by Evo Morales had broken with the ASP led by Alejo Véliz. Unable to register IPSP in time for the December 1999 municipal elections, Evo Morales formed an alliance with MAS-U (a former IU member).[53] The party began its campaign with a false start, after it named José Antonio Quiroga (nephew of famed socialist leader Marcelo Quiroga Santa Cruz) as Evo Morales' running mate—who announced he had no intention of being the MAS vice presidential candidate only hours later. In his place, MAS named Antonio Peredo, a journalist and Communist Party member whose younger brothers had died fighting alongside Che Guevara. Despite its rural syndicalist roots, the MAS candidate list also included a number of figures from the Trotskyite and Communist intelligentsia, such as Filemón Escobar.

The indigenous *katarista* movement was now represented by the Movimiento Indígena Pachakuti (MIP). It was led by Felipe Quispe, the executive secretary of the CSUTCB, as well as a former member of MITKA and the EGTK guerrilla (where he fought alongside Alvaro García Linera). Like MAS, MIP had few pretensions during the campaign of winning more than a few parliamentary seats. Quispe at first sought an alliance with Evo Morales. His stated objective was to nominate a non-Aymara indigenous candidate who

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[52] *El Deber* (4 April 2002).

[53] MAS-U (Movimiento al Socialismo Unzaguista) was founded in 1987 as a dissident faction of the Bolivian Falange led by David Añez Pedraza. The party was named after the FSB founder, Oscar Unzaga de la Vega, and had historically been ideologically opposed to indigenous social movements. After Evo Morales took over leadership of MAS, he named Añez Pedraza "president emeritus" of the party. There is currently another movement called *neounzaguismo* (FSNB, Frente Socialista de Naciones Bolivianas), which represents the most radical wing of the Bolivian Falange. It describes itself as a "nationalist anti-liberal" movement opposed to both "anarchizing socialists" and the "exploitive right" and sometimes even employs statements by Alvaro García Linera; the party also actively recruits white-shirted "legionnaires." See interview with FSNB founder, Horacio Poppe in *La Prensa* (12 June 2005).

could expand MIP's appeal beyond the Titicaca region. After that fell through, Quispe (an Aymara) nominated Esther Balboa, a European-educated Quechua as his vice presidential candidate.

The rest of the field included the Socialist Party (PS) led by Jerjes Justiniano (though he would not run for president) and the Condepa faction led by Veronica Palenque (who also did not run for president). The other two presidential candidates included René Blattmann and Alberto Costa Obregón. Blattman, the onetime 1993 MNR presidential candidate, now led his own civic group (MCC) but had only small expectations. Costa Obregón, a popular La Paz judge, campaigned early on with the promise of a constituent assembly, which made him a surprise front-runner early in the year. By March, however, with the large parties in full campaign, Costa Obregón fell in the polls.

The Electoral Campaign

The 2002 electoral campaign showed the established political party system in crisis, with the key systemic parties in general decline. Even before the campaigns got under way, Jorge Lazarte (former National Electoral Court member) pronounced the end of the tripartite system in the weekly political analysis magazine *Pulso*.[54] The *desgaste político* ("political attrition") of the Banzer-Quiroga administrations in the face of growing social unrest and the marked economic decline colored much of the campaign. In some ways, the electoral climate in 2002 was similar to the climate in 1985, with the difference that the democratic process was now institutionalized. Of the parties with a chance at the presidency, only the MNR

[54] See Lazarte 2002. Lazarte described Bolivia's party system as a "three plus four" system resting on a "tripod" of three major parties (MNR, ADN, MIR) and several minor parties. In this system, any of the two major parties could govern together, but never all three. Lazarte also argued that Bolivian politics depended on this tripod and that its end signaled the end of the party system. Speculating about the election's outcome, he suggested that any anti-systemic alliance would be "fatal" and that any government elected "most likely would not last five years."

openly defended the neoliberal economic system. This time, a number of substantive issues –especially the question of constitutional reforms and the introduction of direct democracy through referendums– took center stage during the campaign. As in previous elections, no candidate was expected to win a majority and a great deal of media attention went to speculating potential post-electoral alliances. The bitterness of the campaign, however, made it very difficult for the traditional parties to come together in the face of the first serious threat to their hegemony. That threat was Evo Morales, a staunchly anti-systemic candidate who finished a surprising second place –making him the first non-tripartite candidate with a chance at the presidency.

"Crisis" was the defining characteristic of the 2002 presidential campaign. There was a widespread consensus (both among the media and the parties) that the country was in a state of political and economic crisis, and that the two were related. The economic decline during the Banzer-Quiroga administration was not called a recession or a slump; it was simply referred to as the economic crisis.[55] Even the major candidates similarly fit their campaigns to the theme of crisis by pronouncing their expertise and promising to manage the economic crisis. This was particularly strong in the MNR campaign, which could attack nearly all the parties that belonged to *la mega* as responsible for the crisis. Such attacks were particularly aimed at MIR. In response, Paz Zamora, how had participated in two governments (1989-1993 and 1997-2002) proclaimed that he "was never a neoliberal" and that his 1989-1993 AP government "was one of resistance to the neoliberal model, that's why Sánchez de Lozada … said they were four lost years."[56] The MNR's attack against members of *la mega* was risky, however, since Sánchez de Lozada was still the person most

[55] One of the few exceptions was president Jorge Quiroga, who in several press reports is quoted as pronouncing the Bolivian economy as "solid".

[56] *La Razón* (11 March 2002).

closely associated with the neoliberal model. He was frequently called a *vendepatria* (lit. "one who sells the fatherland") by various candidates and their supporters for his government's capitalization law, which privatized several state-owned industries.

The theme of crisis also extended to the coverage of the political parties themselves, which were seen internally divided with difficult nomination procedures. A great deal of press attention was paid to the disintegration of Condepa, after what can only be described as a three-way dispute over ownership between Remedios Loza, Veronica Palenque (the founder's daughter), and Monica Medina de Palenque (the founder's wife). Several candidates were also accused of being *transfugios*, as they left one party for another. The most noted of these was Ivo Kuljis, who had run on a presidential ticket three times for three different parties. Two other incidents had dramatic effects on confidence in political parties and politicians. One was the tax scandal that plagued UCS, which was increasingly seen as little more than a vehicle for the Fernández family. The other was a hostage crisis that almost cost MIR its place on the ballot. Hours before the deadline to submit its list of candidates, a group loyal to Gastón Encinas closed off party headquarters with several hostages and demanded that Encinas be included on the list of candidates. When that failed, Encinas publicly broke with MIR and formed an alliance with UCS, which nominated him for a Chuquisaca senate seat. Such events contributed to eroding confidence in the democratic legitimacy of political parties and suggested that many politicians were mostly interested in securing personal power.

Public discontent with this crisis of the democratic system was captured by Alberto Costa Obregón, particularly in the cities of La Paz and El Alto. The independent judge campaigned on the issue of a constituent assembly that would "refound" the nation; he also proposed an end to the political monopoly by political parties and the introduction of

popular referendums. By January, he was a front-runner in several newspaper polls. Though a parliamentary commission was engaged in drafting a series of proposed constitutional amendments, Costa Obregón argued that these did not go far enough. By March, other candidates soon took up the constituent assembly. These included Paz Zamora, who on 1 March publicly signed a document (in the city of El Alto) promising to call a constituent assembly within 150 days if elected president. Soon after, Evo Morales and Manfred Reyes Villa also announced their support for a constituent assembly. The two parties most strongly opposed to a constituent assembly were the MNR and PDC, which cited the "unconstitutionality" of the proposal.[57] Benjamin Miguel Harb (PDC) called the assembly a "smokescreen" for avoiding concrete policy proposals.[58] By mid-March, even the MNR had softened its opposition to the constituent assembly. As a single-issue candidate, Costa Obregón soon fell in the polls.

As in 1997, bilateral relations with the United States played an important role during the campaign. Reporters from *El Deber*, a Santa Cruz newspaper, put the issue of travel visas to the US forward to several party leaders in January. The respondents (from UCS, NFR, MNR, MIR, and ADN) each agreed that it was important for Bolivia to enjoy good relations with the US, and most made sure to point out that the would go over their candidate lists carefully to ensure that none of their potential candidates faced US travel sanctions.[59] In contrast, Evo Morales would frequently make favorable reference to Washington's disapproval of him. The issue became extremely significant in the last days of the race, after the US ambassador to Bolivia, Manuel Rocha, suggested that Washington would suspend

[57] Before the 2005 amendments, the Bolivian constitution did not allow for a constituent assembly; changes to the constitution could be made, but only by parliament.

[58] *La Prensa* (5 March 2002).

[59] *El Deber* (14 January 2002).

foreign aid to Bolivia if it elected a candidate tied to "drug dealers and terrorists."[60] That statement solidified Morales' standing as the *anti yanqui* candidate –which conventional wisdom accepted as a significant factor in Morales surpassing his standing in public opinion polls.[61]

Most of the campaign, however, focused on the bitter rivalry between Sánchez de Lozada and Reyes Villa, the two publicly accepted front-runners. The MNR campaign ran a series of negative ads attacking Reyes Villa on various fronts. In one he was accused of instigating the Cochabamba *guerra del agua* and even for diarrhea in the city's poor children. The Reyes Villa campaign tried to either ignore or denounce the attack ads, but they soon began to take their toll.[62] Additionally, other candidates also went on the offensive against Reyes Villa, who was seen as the most serious "outsider" threat to the established parties. In April, the NFR candidate was leading in the polls; by May, he was slowly slipping. Besides purely personal attacks, Reyes Villa was also attacked because of his checkered past. Throughout the campaign he was unable to satisfactorally address several problem issues. These included his past involvement in military regimes (he had been Luis Garcia Meza's personal bodyguard), his alleged ties to the Moonies, even gaffes involving his business partners.[63]

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[60] *La Razón* (27 July 2002).

[61] There is no way to know for sure, of course, whether Morales outperformed the polls (which only gave him 13.0% of the national vote compared to his 20.94% of the valid vote) because of Rocha's statement, or whether there is another explanation. There are other alternatives to consider. First, Morales had been steadily gaining in the polls during the last month of the campaign; much of the surge during the last week (the poll was conducted two weeks before the election) could be due to momentum. Second, Bolivian pre-electoral polls are known for their methodological problems –particularly their over-sampling of urban voters (often, they only sample urban voters)– which could account for the difference (most of the votes for Morales were cast in rural areas).

[62] Most of the Reyes Villa television spots focused on his popular image and his lengthy tenure as mayor of Cochabamba, Bolivia's third largest city.

[63] The latter gaffe stemmed from an accusation by Johnny Fernández that Reyes Villa was not the sole owner of Marevi Internacional, but that he had an illegal German business partner. Reyes Villa denied "ever having

Though there were several multi-candidate *foros* throughout the campaign, the major events were principally limited to the major parties. The televised debate hosted by the La Paz press association included only three candidates: Sánchez de Lozada (MNR), Manfred Reyes Villa (NFR), and Jaime Paz Zamora (MIR). As with previous elections, the candidates did not address each other directly, and primarily relied on their campaign slogans. Both Reyes Villa and Paz Zamora again attacked the neoliberal model, though each offered only modest reforms.[64] In contrast, Sánchez de Lozada appealed to his experience in managing economic crisis, defended the successes of his first term in government, and argued that the "only way to improve capitalization is to make Goni president."[65]

As in previous elections, the left was marginalized. But in contrast to the systemic parties, the left was making great efforts to unify under a single banner. As early as January, a *foro* hosted by the departmental labor federation (COD) of Cochabamba invited a series of speakers –many former candidates for leftist parties– to speak. The guests gave a series of speeches outlining their common political objectives, most frequently including references to the "historical national struggle" from colonialism, through the Chaco War, and into the current period.[66] Unlike previous attempts at unifying the anti-neoliberal left, various rural and sectorial syndicates (rather than ideological parties) led the effort. Most of the organized syndicalist labor movement soon backed the MAS campaign. The key issues in the MAS campaign were a demand for an immediate constituent assembly, a halt to the US-led coca

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worked with any German" but later was forced to acknowledge that the business partner in question, Reinhold Hacker Bielefeldt, was his father-in-law.

[64] Earlier in the campaign, both had taken less modest positions. Reyes Villa had called for the nationalization of the country's natural gas reserves and Paz Zamora had called for the re-establishment of the YPFB state monopoly on hydrocarbons. See *Juguete Rabioso* (28 April 2002). During the debate, Reyes Villa reversed his position substantially, stating that he would not revise capitalization of state industries "to avoid losing the government's faith [and credit]" but would improve the state's oversight. See *Opinión* (24 June 2002).

[65] *Opinión* (24 June 2002).

[66] *Opinion* (11 January 2002).

eradication program initiated by Banzer, and the re-nationalization of the newly privatized state industries. More than any other anti-neoliberal candidate, Evo Morales appealed to a broad portion of the electorate –particularly rural and urban poor– whose socioeconomic situation had deteriorated.[67] In contrast to many of the previous leftist candidates, who had campaigned under orthodox socialist platforms, Morales' platform reflected the corporatist-statist discourse that had been supplanted since 1985 by the liberal-pluralist discourse employed by the MNR.

Electoral Results

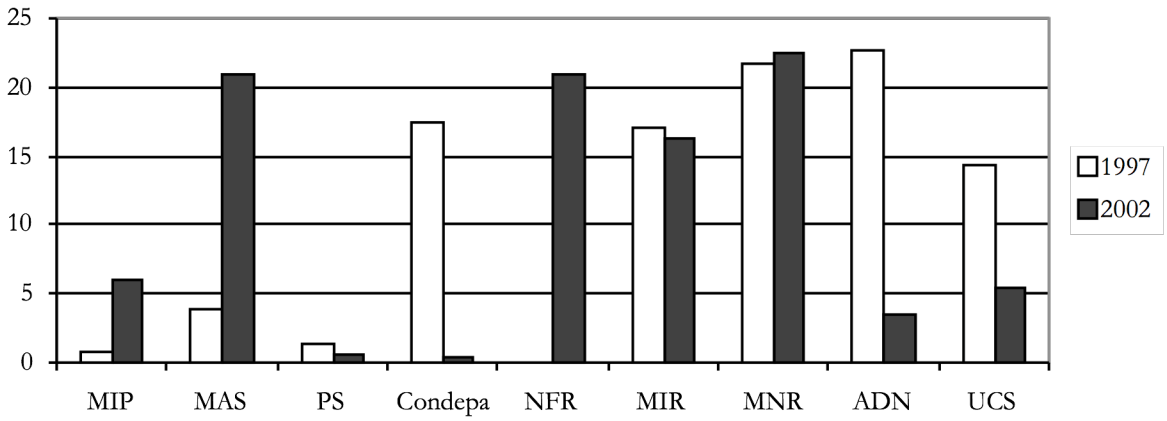
The 30 June 2002 general election was marked both by a broad dispersion of votes across four presidential candidates and the marked decline of the systemic parties with only one systemic candidate finishing among the top three. Though Sánchez de Lozada was the plurality winner with 22.46% of the valid vote, the share was slightly worse than Banzer's 1997 vote share and more than ten points worse than his 1993 plurality victory. The real surprise of the election was Morales' second place showing, with 20.94% of the valid vote—inching past Reyes Villa (20.91%). Though voter turnout had picked up slightly (to 72.06%), more voters had abstained from the polls than had voted for the plurality winner. The aggregate share of votes for the three systemic parties was only 42.17% of the total valid vote, marking the first time the three systemic parties had not won at least half of the total vote. In contrast, the two largest non-systemic parties (MAS and NFR) together won 41.85% of the total valid vote. The effective number of electoral parties remained effectively the

[67] The contrast between Morales and Felipe Quispe (MIP) was particularly stark. While the latter purposefully appealed almost exclusively to indigenous voters (particularly, Aymara voters), Morales did not campaign as an "indigenous" candidate, bur rather as a rural syndicalist leader.

same as in 1997, with 5.8 effective parties. Finally, the share of blank votes increased (to 4.36%) while the number of null votes decreased slightly (to 2.82%).

Figure 6.3

Change in support for parties between 1997 and 2002 as percent of valid vote



MAS figures for 1997 reflect IU. MIP figures for 1997 reflect Eje-Pachakuti. MNR figures for 1997 reflect both MNR and MBL.

The 2002 election was a turning point in Bolivian politics. First, the party system that had evolved since 1985 was effectively shattered. While the MNR and MIR were able to retain much of their national presence, ADN was virtually eliminated. In contrast, two new parties—both of which had positioned themselves as anti-neoliberal parties—emerged in second and third place in their electoral debuts. And unlike the populist parties (including NFR), these reflected organized social movements with strong leadership structures. Sánchez de Lozada's plurality victory was the lowest plurality victory of any Bolivian democratic election; he had also only slightly improved from Durán's lackluster 1997 performance. Paz Zamora again finished fourth, marking MIR's continued decline. Second, the 2002 election was the most polarized election since 1985 (see Table 5.3). Though the

MNR and MAS each won four departments, these corresponded to marked geographical division. Even fourth-placed MIR retained its stronghold in Tarija. Evo Morales' second-place finish was also primarily driven by his strong support in La Paz and Cochabamba, two of the country's most populous departments; MAS had only minimal presence across the *media luna*.

Table 6.3

Percent of valid vote for the four leading presidential candidates by department, 2002

	Sánchez de Lozada (MNR)	Evo Morales (MAS)	Reyes Villa (NFR)	Paz Zamora (MIR)
La Paz	15.32	**22.49**	20.98	11.49
Cochabamba	16.90	**37.62**	29.05	6.15
Oruro	18.75	**29.23**	18.48	15.35
Potosí	24.32	**27.02**	14.52	17.85
Chuquisaca	**26.88**	17.10	15.65	17.27
Tarija	33.76	6.16	10.49	**39.31**
Santa Cruz	**29.47**	10.21	22.40	24.86
Beni	**42.64**	3.16	11.65	16.88
Pando	**34.45**	2.93	12.10	20.00
National	22.46	20.94	20.91	16.32

Data from the National Electoral Court. Department winners in bold.

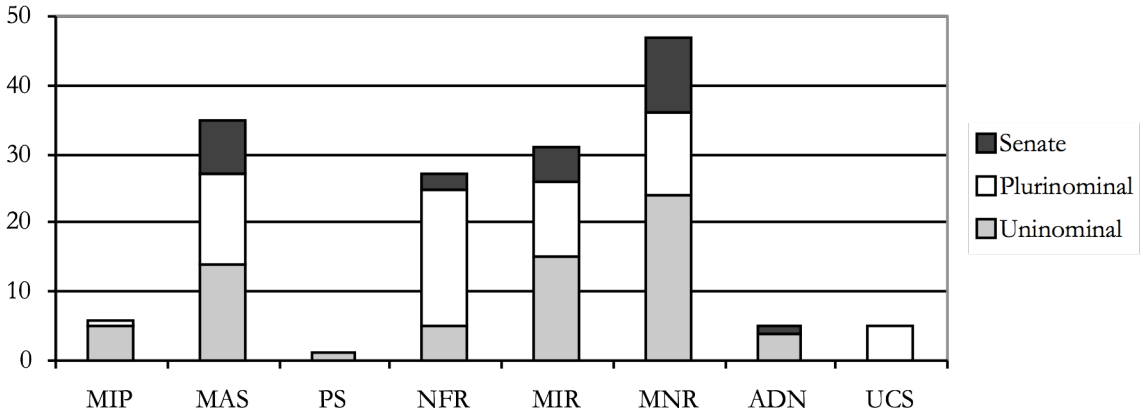
A total of eight parties won parliamentary seats, though one (PS) only had a minimal presence with a single uninominal seat (won by Jerjes Justiniano).[68] The effective number of legislative parties declined slightly to 5.0. This reflected a relatively equal dispersion between four large parties and three smaller ones. This time, however, two of the large parties were non-systemic parties and accounted for nearly half of the total seats. The aggregate

[68] Though PS did not pass the 3% electoral threshold, a special provision in the electoral guaranteed parties their uninominal seats.

disproportionality of seats to votes also remained little changed, with a slight increase to 0.053; differences across departments were again mixed.

Figure 6.4

Parliamentary seats by party, 2002



More than any previous election, 2002 showed strong opposition to continued neoliberal economic policies—particularly across Andean departments. The systemic parties had minimal presence in the city of El Alto and across much of the Altiplano in La Paz, Oruro, and Potosí. These voters cast their ballots in decisive numbers for MAS and MIP, which split the rural countryside. MAS dominated the Cochabamba countryside, as well as the cordillera valleys—its showing in Santa Cruz was due principally to its strong presence in new immigrant rural communities in the frontier with Cochabamba. NFR, in contrast, was almost entirely an urban phenomenon—especially in the city of Cochabamba. In large measure, the collapse of ADN was correlated to the success of NFR, which seemed to capture many former ADN urban voters. But if we use votes as an indication of support or opposition to neoliberal policies, we find a stark difference across regions. No political figure

in Bolivia's democratic history is more tied to neoliberalism than Sánchez de Lozada. Yet he won pluralities (of at least 30%) in nearly every municipality in the *media luna*. In fact, support for the MNR had remained little changed to the party's high water mark in 1993.

Uninominal votes also played a significant role in 2002. This time, both parties and the media paid considerable attention to uninominal races across the country. Unlike 1997, when many parties had recruited musicians, athletes, comedians and other popular figures into their uninominal lists, this time they actively recruited known local political and civic leaders. With the exception of NFR and UCS, most parties won more uninominal seats than plurinominal seats. ADN surpassed its seat share in Beni and Pando. The two most successful uninominal party was MIR, which surpassed won all five uninominal seats in Tarija; it was followed closely by the MNR, which won nine of eleven uninominal seats in Santa Cruz (its candidates placed close second in the remaining two). In 2002 parties used uninominal candidates strategically to deepen and consolidate their regional strongholds.

Government Formation

As in previous elections, no candidate won an absolute majority and parliament would have to select a president. Unlike the preceding two elections, however, a coalition government was uncertain. In part, the delay was caused by a closely disputed second place—votes for Reyes Villa (NFR) and Morales (MAS) were so close (the final difference was 721 votes) that it was unclear which of the two would mark parliament's second option for the presidency, after Sánchez de Lozada (MNR). During the month of July, Sánchez de Lozada and the MNR courted the other parties in hopes of securing his election to the presidency. In many ways, the attempt to build a working coalition looked much like efforts in 1989 or even 1985, rather than 1993 or 1997. In other ways the situation was more

difficult because the legislative seats were more widely dispersed among several parties, including parties (MAS and MIP) who expressed no interest in working with the systemic parties.

So long as Reyes Villa was a potential presidential candidate, the MNR was unable to secure support for its candidate. Because of its staunch opposition to a constituent assembly, many of the remaining political parties were unwilling to back Sánchez de Lozada. The prize, of course, was MIR. It was clear that Paz Zamora was not a contender for the presidency (he placed fourth), but the party's 31 parliamentary seats were crucial. MIR had the "key" presidential palace—and Paz Zamora made it clear that he would keep that key in his pocket.[69] Throughout July every party (including MAS) openly courted MIR's parliamentary support.

The situation did not much improve once it was clear that parliament would choose between Sánchez de Lozada and Morales. While it was quite certain that parliament would not choose the MAS candidate, the MNR was unable to build solid support for a coalition government. By 8 July, UCS and ADN had announced their support an MNR-led government, but the neither party's support was enough so secure a parliamentary majority. By 11 July, Sánchez de Lozada appealed the other parties to support a "convergence" and declared that his government "would not limited only to traditional parties, the doors are open."[70] In response, Paz Zamora suggested an MNR-MAS alliance and declared that his party would "guarantee governability" but was not prepared to join a coalition.[71] MIR and NFR continued to threaten to cast blank ballots in the parliamentary round of voting. In part, the stalemate was prolonged because an impasse would make Sánchez de Lozada

[69] *La Razón* (3 July 2002).

[70] *Los Tiempos* (11 July 2002).

[71] *La Prensa* (11 July 2002).

president by default—if parliament did not elect a candidate after two consecutive votes, the plurality winner would constitutionally be declared the new president.

Sánchez de Lozada hoped to avoid such an election at all costs. The inability to secure his parliamentary election would be a serious blow to his presidential mandate. It would also leave him without a majority coalition in government, making him the first minority president since the 1982-1985 UDP government. On 22 July, he demanded that NFR and MIR vote for one of the two candidates and not "wash their hands."[72] Throughout the month, there were hints of a possible reconciliation between the MNR and NFR—though Reyes Villa demanded apologies for the harsh attacks against him during the campaign. Some member of NFR, led by Ivo Kuljis (who had left UCS to run as the NFR vice presidential candidate) publicly backed an MNR-led government by late July, though they were opposed by the "radical" bloc led by Alejo Véliz.[73]

In the end, Sánchez de Lozada and Paz Zamora signed an agreement ("Plan Bolivia") on 26 July. The agreement was highly controversial. The document excluded many of MIR's campaign promises—in particular calls for a constituent assembly and the introduction of referendum democracy. In exchange for its parliamentary support, however, MIR received seven (of 18) cabinet posts and four prefectures (La Paz, Oruro, Potosí, Tarija). While Jorge Quiroga applauded the pact, Evo Morales accused the US embassy of orchestrating the MNR-MIR alliance. The alliance gave Sánchez de Lozada a narrow parliamentary majority.

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[72] *El Deber* (23 July 2002).

[73] *La Razón* (14 July 2002); *Los Tiempos* (24 July 2002).

Table 6.4

Government and opposition parliamentary strength, 2002

	Uninominal Deputies	Plurinominal Deputies	Senate	Total
Government parties	43	28	17	88
MNR-MBL	*24*	*12*	*11*	*47*
MIR	*15*	*11*	*5*	*31*
ADN	*4*		*1*	*5*
UCS		*5*		*5*
Opposition parties	24	34	10	69
NFR	*5*	*20*	*2*	*27*
MAS	*14*	*13*	*8*	*35*
MIP	*5*	*1*		*6*
PS	*1*			*1*

There were clear problems with the new MNR-led alliance. The alliance was the first government to represent less than a majority of the valid vote (the aggregate vote for alliance parties was 47.69%). But the new government also included for the first time all three systemic parties. In all previous governments, at least one systemic party did not enter the government alliance—which meant that at least one of the opposition parties was vested in the existing political and economic institutional framework. The 2002 election, however, produced a parliamentary opposition composed entirely of new, anti-system political parties. At least two of these parties (MAS and MIP) were also staunchly anti-party and did not distinguish between formal and informal politics. Unlike previous opposition leaders, Morales was more likely to pressure the government from the streets than from parliament. The result was a convergence of traditional parties, which had to overcome two decades of mistrust and competition, against a powerful antisystemic congressional bloc.

Concluding Remarks

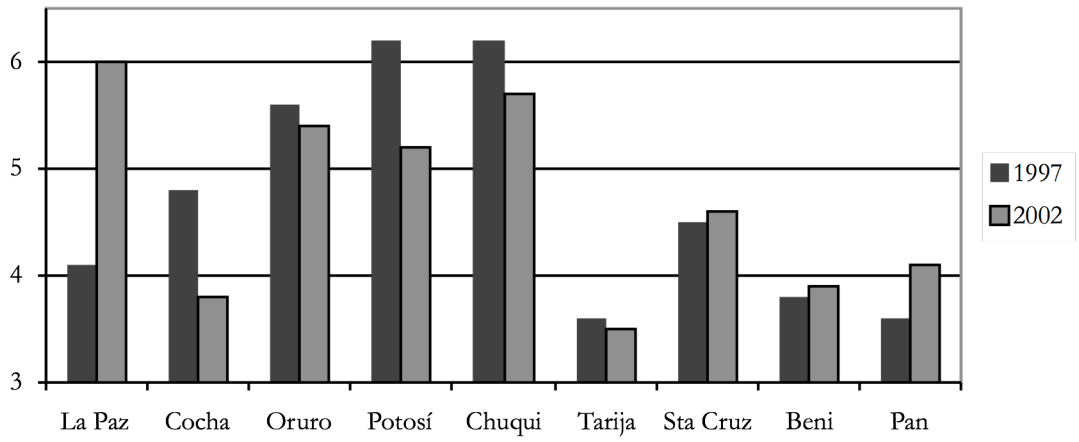
The 1997 and 2002 elections saw two contradictory trends. On one hand the formal institutional political process was increasingly decentralized after the 1993-1997 reforms. Both the devolution of state authority to municipal governments and the election of local parliamentary representatives were significant steps toward strengthening and deepening Bolivian democracy. On the other hand, this institutional period saw a sharp decline in support for traditional parties, along with a fractionalization of the party system. The effective number of electoral parties increased dramatically, as votes were spread thinly between more parties. This period also saw a dramatic regionalization and polarization of the party system. While support for the systemic parties declined across the country, this decline was most pronounced in Andean departments. In *media luna* departments, nearly three quarters of the voters continued to support the MNR, ADN, and MIR. In contrast, support for systemic parties steadily declined across the Andean departments, noticed most sharply in the rural Altiplano and the city of El Alto.

The decline in support for systemic parties was not accompanied by a structured shift in support to other alternatives. As Figure 5.5 shows, the effective number of electoral parties varied significantly between Andean and *media luna* departments. Thus the shift away from support for systemic parties across Andean departments is best understood as a political dealignment. The notable exception is Cochabamba, which saw a reduction in the effective number of parties as political competition in that department concentrated on a MAS-NFR contest (the two parties captured two thirds of the departmental vote in 2002). The lack of any structural political support for an alternative political model across Andean Bolivia meant that the presidential contest was increasingly decided by candidates with strong support in *media luna* departments. Of the 43 deputies elected from the four *media luna*

departments, all but seven represented government coalition parties; all twelve of the region's senators were elected by coalition member parties.

Figure 6.5

Effective number of electoral parties by department, 1997 and 2002



In hindsight, the 2003 political crisis was predictable. The second Sánchez de Lozada government lacked broad political support and faced an increasingly hostile opposition. By 2002, it was evident that the traditional party system was effectively shattered. The next three years would usher a series of dramatic political developments that would radically transform Bolivian politics and lead to a (potential) realignment based—in large measure—on regional cleavages.