



Peru 2006: Election Results and Scenarios

Report of Peru meeting 12 Apr 2006 John Crabtree

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Theme: Peru 2006 – election results and scenarios for the future

Chair: Mike Mecham, Chatham House Associate Fellow

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The results of this first round of presidential election voting have been delayed, and consequently the second round will be too. (By law the 2nd round has to be within 30 days of the official announcement of 1st round results). It seems likely therefore to be 28 May or 4 June.

Latest statistics from Peruvian news magazine *Caretas* give Humala 30.94%, García 24.45 % and Lourdes-Flores 23.38% of the votes cast to date [12 April].

So far it appears that Humala 'surge' is due to the late count of votes from the interior, where he has strong support. (Lima and overseas-based voters are likely to favour Lourdes Flores, while the north of the country favours García).

Abstention so far is at approx. 10%; null and blank votes at approx. 13%. The OAS says there have been few apparent irregularities, although Humala is alleging fraud.

The results to date are quite similar to those from 2001, with the order Toledo-García-Lourdes Flores of 2001 replicated by Humala-García-Lourdes Flores in 2006

This is a Congressional as well as a presidential vote: there are over 2,500 congressional candidates and this count has accordingly been even slower.

The Congressional system underrepresents Lima, which should favour Humala or García at the expense of Lourdes Flores. It's likely there will be no definite single party domination.

The 'didn't-runs':

Two parties, Peru Popular and the Frente Independiente Moralizador, did not field a presidential candidate, despite, in the case of the PP, being the present governing party. It also seems unlikely that the PP will reach the 4% required for congressional representation; and the most likely outcome is that both parties will disappear

This election also seems to have been disastrous for the orthodox left. Serious, well-qualified candidates like Susana Villarán are likely to poll less than 1%. Valentín

Paniagua, previous transition president and early predicted as a front runner, has also performed disappointingly.

Meanwhile Humberto Lay, the evangelical candidate, has probably achieved the 4% necessary to claim some kind of congressional representation, in a rise from nowhere reminiscent of Fujimori's. Marta Chavez, the Fujimorista candidate, is at around 7% with the 'Alianza Fujimorista', while Fujimori's daughter Keiko seems to have achieved by far the highest single vote of all congressional candidates, leading one to wonder whether the Alianza would not have fared even better with Keiko as its presidential candidate. All in all, Fujimori is clearly far from a spent force

The candidates:

Lourdes Flores:

She has managed to extend the PPC's influence and electoral appeal beyond its historic base in Lima and the upper classes; has at least made reference to Peru's social problems.

García:

Has pursued his usual 'barnstorming' style - produces a 'love him or hate him' reaction, and has the highest rejection quotient of any candidate. However, his advantage is that APRA is the only 'real' party running.

Humala:

Official publication of opinion polls is prohibited within 7 days of the election, but the poll results are made known and Humala's support seems to have been declining recently, counter to inflated predictions that he would achieve 50% plus one in the first round.

He is a former *comandante*, which is a fairly junior military rank, and served in the Upper Huallaga valley. Allegations of human rights violations against him date from this period.

He came to prominence via the coup attempt launched in Tacna after the fraudulent 2000 elections. Humala later benefited from having been on the 'right side' when Fujimori fell- Toledo exonerated him from charges relating to the coup attempt and appointed him military attaché to Paris and then to Seoul, where he has spent most of the last five years. These appointments could, of course, also be read as attempts to keep Humala at a safe distance.

Ollanta and his brother Antauro are both associated with the so-called 'etnocacerista' movement, whose defining characteristics include a rhetoric of indigenous mobilisation - traditionally less pronounced in Peru than in Bolivia or Ecuador - authoritarian structures and a pronounced xenophobia, particularly anti-Chilean. In recent times Ollanta has tried to distance himself from etnocacerismo, although he still indulges in anti-Chilean outburst against Chilean ownership of Peruvian companies.

In January 2006 the family returned to prominence when Antauro attempted to lead an uprising from the highland town of Andahuaylas

Ollanta has tried to distance himself from the rest of his family – who have been known to make extreme racial and homophobic statements - and make overtures to the left. His success can be put down not so much to his programme or even personal charisma but rather to an undoubted ability to articulate an undercurrent of rage in Peruvian

society. There is a distinct 'feelbad factor', operating despite relative economic success - growth rates, at 6% in 2005, are amongst the best in the region. However this growth, fuelled in large part by high international mineral prices, is not percolating downwards. Poverty figures have reduced only slightly, and much more slowly than actual economic growth, over the last years.

This paradox of growth accompanied by antipathy has fuelled the extreme unpopularity of Toledo and been channelled into support for Humala.

Negative views about democracy in Peru

The recent UNDP survey over democracy in Peru consisted of 12,000 interviews, 4,000 of which were carried out in small rural communities (unlike many surveys which tend to have an urban bias). Its findings were that understanding of, as well as interest in, democracy are very low amongst Peruvians. Knowledge of rights is equally low. 70% of respondents thought that democracy worked 'badly', 90% of whom blamed 'politicians' for that fact. Institutions ranked the best in approval ratings included the press, municipal authorities, the armed forces and the Defensoría [Ombudsman's office]. However, only 6% thought business associations did a 'good or very good' job; the judiciary scoring only 4% and Congress only 3%. There was also a strong rejection of employers, with two thirds saying that the rich 'always exploit' the poor and only 9% agreeing to a more positive view of investors as creating jobs. 73.5% said that authoritarian government was needed, 61% would emigrate if they could and only 3.5% agreed that 'Peru está bien'. Moreover there was a huge level of pessimism, expressed in the belief that Peru would not change.

On the positive side, 50% of voters do appear to be supporting the traditional parties, the UN or PPC.

Second round prognoses:

Previous polls suggested that Lourdes Flores could beat Humala in a second round, but that now seems unlikely. Even if some of García's support were to be transferred to Lourdes Flores in a Humala - Lourdes Flores runoff, it is likely that the majority of APRISTA support would go to Humala.

García versus Humala would be very tight, with the question of the redistribution of Lourdes Flores' support being key. Some of it might go to García as the 'least worst' alternative?

Likely programmes if elected:

García IS different today from how he was in 1985. He has no strongly statist proposals and a much milder discourse.

Humala's bark may be worse than his bite. His discourse has been radical in some aspects - against foreign companies and so on - but he has also demonstrated a considerable capacity for pragmatism. He has avoided making specific commitments while capitalising on voter discontent. Effectively he is asking voters to sign a blank cheque. He could quite easily follow Fujimori's pattern of performing a volte-face once in office, being elected on leftist support and then turning decidedly to the right.

He is unlikely to have a congressional majority, even if he succeeds in bringing Fujimorista congressional support on board, something else which is likely to shape his behaviour.

Humala is NOT fundamentally a leftist candidate, nor even Fujimorista, but more of an ideological chameleon. We know that there would be a renegotiation of the relationship between state and investors, but not what the content of this would be.

QUESTIONS AND DISCUSSION:

Q:

There have been examples of political reinventions which have stuck - Carlos Andres Perez in Venezuela; Lula in Brazil - has García really changed, and how?

A:

García has gone in for a lot of self-flagellation, which has gone down well with the public. And he probably wouldn't make the same mistakes as before: APRismo has reconciled itself to neoliberalism and is now talking the language of social democracy.

The politics of the second round will also force García to court business support, making commitments to them even if not publicly. Humala is not the same kind of animal as Lula. If anything Humala may be more in the tradition of Gutierrez in Ecuador, who came in on the indigenous vote then turned to a pro-IMF line - and, of course, paid the consequences.

Comment:

Regarding fears from foreign investors, in point of fact the international financial markets have actually been very calm as regards Peru.

Q:

Is Humala-Chavez a better comparison?

A:

Yes in terms of the shared military background and evident mutual influence, but Peru clearly isn't Venezuela. Humala wouldn't have the luxury of petrodollars, although he probably would try to renegotiate extractive industry contracts signed in Fujimori's time. This will prove tricky, however, because the terms of those contracts often explicitly rules out future changes in the applicable tax regime. This is the root of one major popular grievance: that growth in these sectors hasn't increased tax revenue.

On coca, Humala may find he has more leeway to negotiate (with the US)

Q:

If Humala is elected then becomes more moderate, what are the chances of his suffering the same fate as Mesa in Bolivia, or of significant social unrest?

A:

This is an important question. If he performs a 180 degree turn, he may fall into a Mesa-type trap of having no legitimacy.

Q:

What will be the impact of a Humala victory on the indigenous population? Would he bring in indigenous representation to the Cabinet and so on?

A:

One big difference between Peru and, say, Bolivia, is that Peru has little by way of an organised indigenous movement. In Bolivia, explicit pressure from indigenous groups has built up over 30 years. Morales may not be quite 'as indigenous as he looks', but clearly had to give his politics that stamp in a way which Humala would not have to.

Q:

Is there a generational split in voting patterns?

A:

It's too early to tell.

Comment:

Humala's programme is more reminiscent of Morales than of Lula or Chavez? Humala has mentioned initiatives like renegotiation of contracts, a constituent assembly, anti-free trade measures and coca, reminiscent of Morales [Others, however, pointed out that at least some of these are also measures associated with Chavez]

Q:

To what extent is there a 'Chavez factor' operating here, and how well does this play in Peru? (ie the belief that Humala's programme would be more feasible because of support he would get from Venezuela)

A:

The question hasn't yet arisen fully, but it seems likely that a Humala government would look for support from Venezuela. In contrast, of course, to Toledo who sought to maintain the maximum possible distance from Venezuela and proximity to the US; on issues like coca and the free trade agreement (due to be signed on 13 April 2006) Humala has said he would challenge it, and it isn't popular with sectors of the rural population (though yes with textile workers). The agreement anyway needs to go through Congress, and there is a high probability that it will run into trouble there.

Q:

What is the military's position? Has it recovered sufficiently from the ignominy of the Fujimori years to have a political role? Could someone - probably Humala - bring it in to resolve any institutional deadlock?

A:

The army has recovered its former position without much significant structural reform. They have been appeased through the military budget, and the Chile 'problem' has been allowed to permit the Peruvian military to inflate its claims on the state budget. Fujimori's dissolution of Congress was a popular measure and actually enhanced his support, so yes, given Congress's poor approval rating it could be a temptation.

Q:

What is the likely fate of the Truth Commission recommendations, given the lack of human rights discourse by the candidates?

A:

This campaign has clearly been about authority, not rights; and about security in the everyday sense, rather than about Sendero. This is partly because both García and Humala have reasons to be defensive over past human rights violations. As far as implementation goes, the compensation programme may be allowed to continue, but neither a García nor a Humala government would really take an interest.

Q:

What is the US view of this election?

A:

Having learnt from the debacle of the US ambassador's comments ahead of Morales' election, the US has kept very quiet. It does not intend to visibly take sides in this campaign, but it's clear that the US would regard a Humala victory as problematic.

Q:

How would the general scenario change if García, rather than Humala, won?

A: García would likely be more centrist, have more appeal, and the relationship with Congress would most probably be easier as APRA will have more congressional representatives than the other parties. A García-US relationship would be less tense than a Humala-US one but not as cosy as the present US relationship with Toledo.

Q:

Regarding discussions about the market-state relationship, how much actual capacity does the Peruvian state have?

A:

This is the great weakness of Peru: its state apparatus. This was part of García's undoing in the 80s. Fujimori's attempted state reforms worked, but weren't democratic reforms ie did not necessarily create lasting state capacity. The conundrum of how to create democratic institutions in an essentially democratically indifferent or non-democratic polity is Peru's big challenge. Even a candidate who wanted to be *estatista* presently hasn't the tools to be able to do so. Any serious candidate needs to address this fundamental weakness.

Dr. Cath Collins, Latin America Research Fellow, thanked those present for their attendance and participation, Mike Mecham for his chairmanship and John Crabtree and the Peru Support Group for their stimulating contribution. The meeting closed at 6.45pm