The 1999 Elections in Argentina:
Change in Style or Substance?
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The 1999 elections produced fundamental changes in Argentine politics. A Peronist government transferred power democratically to an opposition party for the first time; the new government was the first coalition government in Argentina’s modern democratic history; and, the elections produced a fragmentation of power after ten years of hegemonic power exerted by the Menem administration (1989-1999). This article assesses whether the political changes produced by the 1999 elections are likely to improve the quality of Argentina’s democracy. The first section outlines the results and discusses the new political scenario. The second section analyses the implications of the 1999 elections for the future of Argentina’s democracy.

The 1999 Elections: the End of an Era

The Menen administration exhibited significant hegemonic power in sanctioning amnesty to the Junta Militares, increasing political control over the Supreme Court and presiding over an unprecedented level of governmental corruption. In addition, the decade witnessed two terrorist attacks on Jewish institutions and the emergence of Mafia-type crime. The 1999 elections brought this hegemonic power to an end, and, as the results of the electorates’ voting show, produced a fragmentation of power.

<table>
<thead>
<tr>
<th>Seats won in the elections</th>
<th>Total number of seats</th>
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<td>Alianza 63 seats</td>
<td>127</td>
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<td>PJ 50</td>
<td>101</td>
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<tr>
<td>Acción Republicana 9</td>
<td>12</td>
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<td>Provincial parties 8</td>
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After the 1997 elections the Senate finished with 39 Senators from the Peronist party, 20 from the Radical party, one from FrePaSo (Frente País Solidario) and nine from provincial parties.
A new scenario

In Congress, the Alianza fell short of winning a majority by only a small margin in the Chamber of Deputies, but by a significant margin in the Senate. Fourteen out of twenty-four provinces elected a Peronist governor, seven an Alianza governor, one a Radical candidate and the rest were candidates from provincial parties. The composition of the Supreme Court was not modified by the new government, thus remaining ‘Menemist’. In this context, two new words became part of Argentina’s political vocabulary: cohabitation and consensus. For the first time in Argentina’s recent democratic history, building political consensus became essential for governing and governability.

President Raúl Alfonsín (1983-1989) had not seriously attempted to build political consensus; on the contrary, he intended to form a hegemonic power. President Carlos Menem (1989-1999) formed a hegemonic power bloc by building political consensus between the economic right and the working class. During Menem’s administration, the Senate was controlled by a Peronist majority, and in the Chamber of Deputies the largest bloc was Peronist as well. President Menem reformed the Supreme Court of Justice in order to make it menemista by increasing the number of members from five to nine in order to ensure that his political appointees would constitute the majority. He was also able to control the main political districts such as Buenos Aires and Santa Fe through others generally loyal to his authority. In this context, Menem achieved one of his most coveted objectives: the reform of the Constitution that allowed him to be re-elected in 1995. This reform was achieved through the Pacto de Olivos and was seen as an example of consensus politics, though it is more convincingly interpreted as evidence of the hegemonic power of Peronism over the powerless position of the Radical party.

Following the 1999 elections, political power was dramatically fragmented. In this context, it was important for President de la Rúa to create political consensus not only within the Alianza, but with the opposition as well. As for the opposition, after ten years under Menem’s hegemony the Peronist party began to fragment. At least three Governors were willing to succeed Carlos Menem, namely Carlos Ruckauf from Buenos Aires province, Carlos Reutemann from Santa Fé and José Manuel de la Sota from Córdoba. As the opposition was deeply divided by power struggles, this could be used by President de la Rúa to consolidate his power. Ruckauf, de la Sota and Reutemann needed to consolidate their positions within their provinces and the Peronist Party.

In the case of Buenos Aires, executive power was in the hands of the Peronist party while the Chamber of Deputies and the Senate were in the hands of the Alianza. This provoked a political rapprochement between President de la Rúa and Governor Carlos Ruckauf. De la Sota and Reutemann had a different situation; both had a Peronist majority in both chambers of the provincial legislative power. However, the three governors needed to consolidate their national position in order to be able to win the Peronist leadership with an eye on becoming the Peronist presidential candidate in 2003. They planned to confront Carlos Menem who had declared his intention to run again for President. With 2003 in mind these three needed to be involved in the decision-making process at the national level, and thus to negotiate with de la Rúa. Most importantly, they needed to show their commitment to economic and political stabil-
ity not only within their provinces but also at the national level. De la Rúa would use the governors’ fragile position within the Peronist party and strong situation within their provinces to build some consensus around difficult issues, and did this to a certain extent in the December 1999 budget negotiations.

However, relations between de la Rúa and the governors might change dramatically when the process to elect the Peronist Presidential candidate begins. Indeed, not until after the candidate has been elected will President de la Rúa be able to confront his opponent. In the meantime, he is likely to have four opponents – Ruckauf, Reutemann, de la Sota and Menem – criticising his style, decisions and promises.

The battle inside the Peronist party is having a significant impact on short-term politics. Raúl Alfonsín has suffered dearly due to the internal problems of Peronism, as he did not have a clear counterpart to deal with. The weakness of the Peronist party has been compensated for by the influence of Peronist trade unions, but now de la Rúa is likely to be forced either to confront four opponents or to maintain himself well apart from Peronism’s internal struggles. Keeping separate, although apparently more appealing, is likely to prove difficult to follow. However, President de la Rúa might avoid being confronted by the four runners if he would work on coalition building with the governors and Carlos Menem instead. Consensus politics could help minimise the impact of the Peronist fragmentation. Nevertheless, while de la Rúa needs a working relationship with Peronism, perhaps it is more important that he embark on a consensus building process within the Alianza itself.

An Alianza is created

The Alianza was a new political actor. It came into being in 1997 not just as an electoral coalition, but with the intention of becoming a real alternative to Menem’s hegemonic power. The creation of the Alianza signified the end of a long process of electoral decline of the Radical party and the emergence of FrePaSo. The decline of the Radicals between 1987 and 1995 had been dramatic. In the 1995 presidential elections the Radical party won only 17 per cent of the total vote cast and only 22 per cent in the legislative elections. Moreover, the Radicals achieved only third place in the provinces of Buenos Aires and Santa Fe and second place in Buenos Aires City. In 1994, FrePaSo was formed around the charismatic leadership of Carlos ‘Chacho’ Alvarez and Graciela Fernández Meijide. Its members came mainly from the Peronist left and left of centre parties. While FrePaSo was electorally successful in Buenos Aires City and other cities, it was not represented in most of the provinces. So, by the mid-1990s Argentina had three main political parties: the Peronist party which seemed to be the only viable party of government; the Radical party which was in decline; and FrePaSo which was emerging as a powerful urban political actor. What was clear from this political scenario was that neither the Radical party nor FrePaSo were able to defeat the Peronist party.

It was against this background that the legislative elections of October 1997 took place. Raúl Alfonsín, the Radical party’s candidate for Buenos Aires province, was holding third place according to the opinion polls. A divided opposition was the perfect scenario for the Menem administration since it could improve its chances of winning the presidential elections due in 1999. In
order to avoid this scenario, Alfonsín decided to establish an alliance with FrePaSo and to resign his own candidature. The Alianza was established first in Buenos Aires City and province and then in 13 more provinces, but it failed to be established in ten other provinces.

The Alianza was a heterogeneous actor. Its electorate was also a diverse group that did not represent any particular social group and, most importantly, did not feel any loyalty to the Alianza. This was the Alianza’s main weakness, which could compromise governability. A brief comparison with the Menem administration helps us to emphasise this point.

Carlos Menem was first elected in 1989 with a predominantly Peronist vote. However, as soon as he took office he formed an alliance with the business sector, symbolised by the appointment of a manager of Bunge y Born as Minister of Economy. Although this strategy failed to stabilise the economy, it allowed the Peronist government to gain the support of the business sector. This support was further reinforced with the appointment of Domingo Cavallo in January 1991. Thus, for Menem’s second term, the coalition formed behind his electoral ticket was completely different from that of 1989. In 1995, traditional Peronist votes and the economic right formed Menem’s electoral coalition. This coalition was broken when Cavallo left the government in July 1996. Cavallo did not support Eduardo Duhalde as a presidential candidate in 1999. However, while made up of two elements, this coalition was stable and, most important, loyal to the Menem administration.

The Alianza lacked this loyal social base. Moreover, in contrast to the Menem administration, the Alianza did not have a strong link with either the business sector or the trade unions. Its electoral triumph was due mainly to its public commitment to follow Menem’s economic strategy while fighting against corruption and unemployment, allowing judicial independence and emphasising social issues.

Three years after its inception and after nine months in office, the Alianza has been seriously damaged. During the first months in office, the public faces of the Alianza were de la Rúa and Alvarez. Carlos ‘Chacho’ Alvarez, the Vice-President, was the most important politician in FrePaSo, especially after Graciela Fernández Meijide’s decline. Alvarez was a charismatic leader who proved to have the necessary patience to make the transformation from a rebel Peronist deputy to leader of a new political party and, finally, to Vice-President. Historically, the role of the Vice-President has been minimal. S/he is the President of the Senate but remains a low-profile figure in the Casa Rosada. From the very beginning, it was evident that Alvarez would transform the post’s low profile. During the electoral campaign, Alvarez’ attitude of almost unconditional support for de la Rúa brought him into confrontation with most of the FrePaSo deputies. However, in the long-term, Alvarez’ attitude seemed to be positive for consensus building. During the first nine months in office, the relationship between the President and his Vice President was good. The public image was of understanding, essential to a coalition government. Their relationship was crucial for governability since it held the key to maintaining a united Alianza. However, in October 2000 their relationship collapsed. At the time of this writing in October 2000, Argentina was shocked by revelations of bribes given by the government to Peronist Senators. Money was handed over to Senators to secure their approval of labour reform. After these revelations,
Vice-President Carlos Alvarez began promoting a cleansing of the Senate which could help not only to replace the people involved but also change the way in which politics had been conducted by traditional parties. Others, however, especially those Senators with the support of the Peronist and the Radical Parties, were fighting back to maintain the status quo and the privileges it had brought them. Turnover in personnel in traditional parties has been low. The Peronist and the Radical party are still immersed in clientelism, especially in the provinces. Most of their leaders have been around for many years and lack a strong democratic attitude towards the policy-making process.

The outcome of this institutional crisis is crucial for the future of Argentina’s democracy. If the Peronists and the Radicals go on fighting for their privileges rather than against corruption, disillusionment with the government and democracy will deepen. In the short-term, the outcome has been the resignation of Carlos Alvarez and the weakening of the Alianza. In the long-term the damage is greater. Argentina needs to re-build its democratic institutions. The Congress is a crucial issue. Deputies and Senators are discredited, among other things, for failing to control the Executive. If the bribery issue is not resolved, the Congress will be permanently suspected of corruption. The reaction of civil society is difficult to predict, but examples of the campaigns after the AMIA bombing and the killing of Cabezas make evident the existence of a potential capability to organise and confront.

In sum, in order to be able to govern, de la Rúa needed to build consensus not only within the Alianza itself but also with Peronism and other political parties such as Cavallo’s Acción por la República. He also needed to build consensus with other political and economic actors, especially the trade unions, the business sector, and civil society. The Alfonsín administration can be considered a clear example of an erratic political strategy, which went from confrontation to co-operation and back. This partially explains its chaotic end. The Menem administration was a model of hegemonic power. De la Rúa, facing a similar situation to that of Alfonsín, should learn from the mistakes of the 1980s and avoid erratic tactics. De la Rúa needs to create consensus within the Alianza and to achieve a peaceful and productive cohabitation with Peronism. De la Rúa is faced with the challenge of crafting, through consensus-building dynamics, an efficient policy-making capacity within a fragmented structure of power. However, the October 2000 crisis seemed to prove that, in practice, rather than building consensus de la Rúa was more willing to attempt to concentrate political power in his hands and ignore the fragmentation of power brought about by the 1999 elections.

The challenges ahead

There are different approaches to tackling the analysis of the future of Argentina’s democracy. As in every other matter, we could look at the glass as being half-empty or half-full.

Comparing Argentina with other Latin American cases, the country has been very successful in controlling the military. The Armed Forces are not involved in politics and are co-operating with their counterparts in Chile and Brazil, thus following the new foreign policy established during the Menem
administration. Therefore, not only do they not interfere in politics; they have also adapted to changes imposed by politicians. Likewise, a great number of retired officers have become integrated into the democratic game and hold elected positions.

Traditional politics have not – so far – become as fundamentally discredited as the Latin American countries of Peru, Venezuela or Brazil have at different times. Although there have been some cases of sportsmen or singers becoming politicians, traditional politicians and political parties are still dominant.

From 1983 onwards, Argentina’s democracy has demonstrated both notable achievements and shortcomings. While Raúl Alfonsín is primarily remembered for his effort in consolidating democracy, Carlos Menem will be remembered for his undermining of democratic institutions. While Menem abused the executive’s powers, other aspects of a democratic regime were almost untouched. Elections have been fair and basic civil and political rights respected. Freedom of press was also respected, notwithstanding cases of attacks on journalists, most notably the killing of José Luis Cabezas in 1997. Civil society reacted strongly to this and other atrocities, which is more evidence of a relatively healthy democracy. Moreover, the 1994 constitutional reform included measures that improved the quality of political democracy, such as the abolition of the Electoral College in presidential elections, and the establishment of direct elections for the mayor of Buenos Aires City. However, the mood in Argentina remains sombre. The country has been immersed in a deep and long economic recession. Together with the political crisis, this undermines the quality of democracy.

In the 1980s most of the academic debate was concentrated on the issues of transition and the consolidation of democracy, the latter referring mainly to formal political democracy. During the 1990s, the debate began to concentrate on the quality of democracy, and thus the definition of democracy was expanded to include civil, political, economic and social rights. If Argentina’s democracy is confronted with a definition of democracy that goes beyond basic political rights, then Argentina still has much distance to travel.

The list of challenges is long. To mention a few, while the military are under civilian control, the security forces are not. As a consequence, human rights are constantly being violated by police forces. Police officers were involved in the bombing of AMIA and the killing of José Luis Cabezas. While some cases ended with the accused going to jail, others did not. For instance, in 1994, a group of police officers were involved in the Wilde massacre where five innocent people were killed with 239 bullets. After a long legal process, nine officers were convicted of homicide, but the sentence was reversed by superior courts in 1996 and the case was closed in 1999. None of the convicted are still in jail. The Amnesty International 2000 Report records 80 killings by police in 1999 (Amnesty International, 2000). As of this writing in October 2000, 27 police officers from the Federal Police – including the man responsible for security in Buenos Aires – have been removed from their posts and held for aiding the escape of two Paraguayan detainees who had been accused of killing Paraguay’s Vice-President, Luis María Argaña. While democratic governments have been able to control the Armed Forces, they have not succeeded in controlling the police to the same extent.

Economically, Argentina is submerged in a deep recession with a historically
high unemployment rate, a decrease in wages and a widening gap of income inequality. Recently, the Instituto Nacional de Estadísticas y Censos (INDEC) gave the unemployment rate as 15.4 per cent for May 2000. High unemployment rates became a normal sign of Argentina’s economy during the 1990s. The urban unemployment rate was 8.6 per cent in May 1990, 10.7 per cent in 1994 and 18.4 per cent in 1995. Adding underemployment, the rate was 30.1 per cent in May 1996 (Minujín and Bustelo, 1997, p.27). In August 1999, the unemployment rate was 14.5 per cent while underemployment was 14.9 per cent (La Nación On Line, 8-10-99). In July 2000 the rate of unemployment plus underemployment was calculated at 21.9 per cent (Clarín Digital, 30-7-00).

Poverty also increased dramatically during the 1990s. Recently, the Economic Minister reported that in Buenos Aires City and Greater Buenos Aires, 3,546,500 people are poor, representing a 10.8 per cent increase from 1999 (Clarín Digital, 21-9-00). Moreover, during the last six years, wages in the area experienced a real decrease of 20.5 per cent (Clarín Digital, 2-5-00). The decrease in wages began after the Mexican peso crisis in 1994 and deepened after the Russian and the Brazilian financial crises. Since these events, the Argentine labour market has been unstable with persistent high unemployment rates and increasing numbers of temporary and informal jobs.

Lastly, the gap between the poor and the rich has widened. Recent studies reveal that while in 1974 the rich population earned 12.3 times more than the poor population, by 1998 this figure had jumped to 24.6 times. Now, in Greater Buenos Aires, the richest 10 percent have a monthly income of between $1300 and $14000 while the poorest population receive between $4 and $149 (La Nación On Line, 13-9-00).

Crime has increased, the access to justice is poor and unequal, and the dropout rate from primary and secondary school is high88. And the list of democracy’s shortcomings goes on. The Alianza government is facing a delicate situation. Its main objective was to maintain economic stability while producing social improvements. However, as soon as it took office it introduced a tax reform that hit the middle classes, and a reduction of public employees’ wages. This measure was highly unpopular and was hardly what the Alianza’s voters had been expecting.

The October crisis took Argentina to a turning point. Is it going to fall under a messianic figure that promises to fight against the corruption of traditional parties and to end economic recession? Is it going to sweep the dirt under the carpet and pretend that the Senate scandal is only a matter of a few corrupt individuals rather than a structural institutional problem? Or will democratic institutions be strengthened despite short-term political costs?

It is difficult to predict the outcome. Unfortunately, it seems, so far, that fundamental institutional strengthening is not imminent. In this scenario, Argentina’s democracy will largely be a myth. Democracy will remain a label bestowing credibility to a regime that, in practice, protects corruption, tolerates extreme inequalities and human rights violations and denies 15 million people (out of 37 million) the possibility of achieving a dignified life.

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Notes

1. For instance, the murder of José Luis Cabezas and the bombing of the AMIA.
2. The coalition is called Alianza por el trabajo, la justicia y la educación (Alliance for employment, justice and education).
3. For more details see Tedesco (1999).
4. In 1994, Raúl Alfonsín, leader of the Radical Party, and President Carlos Menem reached an agreement on Constitutional reform, known as the Pacto de Olivos. Through the Pacto, Menem was allowed to one re-election while the Radical Party secured other changes in the Constitution such as the implementation of ballotage.
5. In October 2000 Carlos Menem still held the Presidency of the Peronist Party.
6. For more details on the establishment of FrePaSo and the Alliance see Jones (1998) and Gargarella (1997).
7. Bunge y Born is a multinational company of Argentine origin.
8. The economic right refers to middle-class, upper-middle-class and upper class voters who supported the Menem administration for its economic strategy. They became followers of the Menem-Cavallo axis.
9. Duhaldé was quite ambiguous regarding his economic policy. During the electoral campaign he condemned the external debt, asking for debt forgiveness. This suggestion was highly criticised by Menem and de la Rúa. However, the coalition between Peronist votes and the economic right was still in place in the Buenos Aires province, which could partially explain Graciela Fernández Meijide’s defeat. Domingo Cavallo’s Acción para la República supported Carlos Ruckauf’s ticket for the government of Buenos Aires province. Ruckauf obtained 48.3 per cent of the total vote cast while Fernández Meijide achieved only 41.4 per cent. As Cavallo’s presidential ticket obtained 10.1 per cent, one could assume that his followers helped Ruckauf to win in Buenos Aires. For more details see Clarín Digital (31-10-99, 29-6-99, 6-7-99 and 20-7-99).
10. After losing the elections, Fernández Meijide was named Minister of Social Development. Her position was undermined here when in April 1999, her brother-in-law, Angel Tonietto, was forced to resign from his position in PAMI, as he was accused of using his post to favour his wife’s private business.
11. The Senate case damaged the relation between de la Rúa and Alvarez. While the President took a more cautious attitude, the Vice-President led the demands for investigating the Senators. After a Cabinet reshuffle in which the President promoted some of the ministers suspected of handing money over to Senators, Alvarez resigned.
12. The political situation in Argentina is currently very volatile and it is difficult to predict whether the Alianza will be able to survive. After Alvarez’ resignation, de la Rúa is facing criticism from the FrePaSo and the Radical Party. The Peronist Party is also divided. While Carlos Menem supported de la Rúa, Eduardo Duhaldé supported Alvarez. After new resignations, by mid-October 2000 de la Rúa had appointed a new Cabinet with a mixture of Radicales and Frepasistas in a clear attempt to re-build the Alianza.
13. In September 2000 de la Rúa inaugurated a series of meetings with leaders of political parties such as Carlos Menem and Domingo Cavallo to establish a political dialogue.
15. There are many examples of these abuses. For a detailed account of Menem’s government see Palermo and Novaro (1996), Borón et al (1991), Llanos (1998), and Mustapic (2000).
16. Levisty (2000, p.69) says that ‘Argentina scores better than Brazil and slightly worse than Chile on Freedom House’s 1998-1999 index’. He also points out that, according to Freedom House, ‘more than 1000 attacks on, or threats to, journalists were reported during Menem’s ten years in office’.
18. The AMIA trial is due between March and April 2001.
19. I deal with these issues in Tedesco (2000).
Bibliography


Clarin Digital, various issues.


La Nación On Line, various issues.


