

# THE “NORMALIZATION” OF ARGENTINE POLITICS

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On 24 October 1999, Fernando de la Rúa of the opposition Alliance for Jobs, Justice, and Education was elected president of Argentina, defeating Eduardo Duhalde of the incumbent Justicialista (or Peronist) Party (PJ) by a margin of 49 percent to 38 percent. Former economics minister Domingo Cavallo, running on the center-right Action for the Republic party ticket, finished third with 10 percent. The election was unprecedented in several respects. De la Rúa’s assumption of the presidency marked the first time that Argentine democracy had survived two consecutive transfers of power from one party to another, as well as the first time that a Peronist had been removed from national office by democratic means. In addition, the new Alliance government, which is made up of the centrist Radical Civic Union (UCR) and the center-left Front for a Country in Solidarity (FREPASO), is the first real coalition government in Argentina’s modern democratic history.

Perhaps the most striking change, however, was the routine—even boring—character of the election. De la Rúa, a conventional politician without any of the charisma or “outsider” appeal of his predecessor Carlos Menem, ran a bland campaign that centered on clean government and institutional integrity. And in stark contrast to 1989, when hyperinflation and mass looting forced Raúl Alfonsín to hand over the presidency to Menem six months before the end of his term, the 1999 transition took place without a hitch and virtually without controversy. In short, a central characteristic of the 1999 election—Argentina’s tenth national election since the collapse of military rule

in 1983—was the unprecedented degree to which electoral politics had become routinized.

This turn toward “normalized” democratic politics represents a major break with the past. For most of this century, Argentina has been considered one of the world’s leading democratic underachievers. Despite its high levels of wealth and education, large middle class, relatively egalitarian social structure, and developed civil society, civilian regimes repeatedly broke down between 1930 and 1976. As Adam Przeworski and Fernando Limongi note, Argentina is the wealthiest country ever to have suffered a democratic breakdown.<sup>1</sup> Moreover, only a few years ago, the Menem government’s concentration and abuse of executive power seemed to suggest that Argentine democracy remained badly flawed. Scholars offered relatively pessimistic assessments of the regime, often treating it as a leading case of unconsolidated or “delegative” democracy.<sup>2</sup> By the end of the decade, however, Argentina had diverged substantially from other “problematic” cases in Latin America (such as Ecuador, Peru, and Venezuela) and had in many ways begun to resemble its better institutionalized neighbors in Chile and Uruguay.

These developments suggest the need to rethink some recent accounts of contemporary Argentine democracy. In retrospect, many of these analyses appear to have been overly pessimistic: They tended to overstate the degree and impact of the Menem government’s abuses of executive power, and they tended to understate important democratic advances that, while partially obscured by Menem’s “hypermajoritarian” behavior, nevertheless continued through the 1990s.

### Reexamining Argentine Democracy

Argentine democracy evolved in diverging and seemingly contradictory ways in the 1990s. On the one hand, the Menem government’s concentration and abuse of power weakened representative institutions, thereby eroding what Guillermo O’Donnell has called “horizontal accountability.”<sup>3</sup> President Menem governed in a highly unilateral manner, acting in ways that were often perceived to violate the spirit—if not the letter—of the constitution. In 1990, for example, the government pushed through legislation (over the objections of the opposition and with a contested quorum) expanding the size of the Supreme Court from five to nine judges and then stacked it with Menem loyalists. Menem also made widespread use of his power to issue executive decrees, issuing 336 “Decrees of Necessity and Urgency” between July 1989 and August 1994. By contrast, the government of Raúl Alfonsín issued just 10 such decrees between 1983 and 1989. Finally, Menem’s reckless pursuit of constitutional reforms permitting his reelection also had a debilitating effect on democratic

institutions. In 1994, Menem essentially bullied the UCR into negotiating a constitutional reform by threatening to hold a plebiscite on the issue. Faced with the likelihood that Menem would win the vote and the real possibility that such an outcome would provoke an institutional crisis, UCR leader Raúl Alfonsín abandoned his opposition to reelection and negotiated what became known as the Olivos Pact. In 1998, despite the clear unconstitutionality of running for a third term, Menem pushed the Peronist party congress to declare its support for his candidacy, toyed publicly with the idea of another plebiscite, and finally sought—unsuccessfully—to gain a court ruling permitting his candidacy.

Even when the government remained within its constitutional bounds, its failure to seek a multiparty consensus even on constitutional issues (like the reelection clause and the size of the Supreme Court) and other matters of fundamental importance to democracy (like the 1990 pardon of military officers imprisoned for human rights violations during the 1976–83 dictatorship) clearly had a debilitating effect on the country's already fragile republican institutions. In light of this hypermajoritarian and at times dubiously constitutional behavior, scholars tend to characterize Argentine democracy as having fared poorly—and even as having regressed—in the 1990s. Following the important work of Guillermo O'Donnell, for example, contemporary Argentina is frequently characterized as a “delegative democracy.”<sup>4</sup> It has also been variously described as a “democracy in turmoil,”<sup>5</sup> a “persistently unconsolidated” democracy,<sup>6</sup> and a case of “neopopulism.”<sup>7</sup> Some analysts even raised concerns that the Menem government would not leave power peacefully.<sup>8</sup>

Although the weaknesses and vulnerabilities of Argentine democracy certainly merit attention, they are not the whole story. Indeed, attention to the “delegative” tendencies of the Menem government has tended to obscure a range of other dimensions on which the regime fared rather well. Argentine democracy consolidated and in some respects even “deepened” in the 1990s. In terms of the core features of political democracy, for example, Argentina scored better than most of its Latin American neighbors—including Brazil and Chile—throughout the decade.<sup>9</sup> The fairness of elections was unquestioned, basic civil and political rights were broadly and consistently protected, and press freedom was extensive.<sup>10</sup> Although there was a troubling rise in the number of threats and attacks on journalists during the Menem administration,<sup>11</sup> the overall climate was one of extensive freedom, and the Argentine media were arguably the most vigorous, independent, and sophisticated in Latin America.

Democratic rights were buttressed by a relatively well-organized and active civil society. Civic organizations responded vigorously to acts of political violence perpetuated by groups with reputed ties to the state.

For example, both the 1994 bombing of a Jewish community center in downtown Buenos Aires (which killed 86 people) and the 1997 murder of news photographer José Luis Cabezas were met with large-scale protests and sustained, well-organized campaigns that compelled the government to undertake serious investigations.

Perhaps the greatest democratic advances were made in the area of civil-military relations. The Argentine military, which carried out six coups between 1930 and 1976 and was responsible for massive human rights violations during the 1976–83 dictatorship, is now thoroughly under civilian control. In contrast to neighboring countries such as Chile, Ecuador, and Peru, as well as Argentina under the Alfonsín government, the military's presence in politics is now virtually nil. Military officers do not issue independent proclamations, and their subordination to civilian authorities is unquestioned. Moreover, the internal culture of the armed forces shifted in a substantially more democratic direction in the 1990s. This shift was clearly seen in General Martín Balza's public recognition of military wrongdoing during the 1976–83 "Dirty War." Such an act—particularly by the country's highest-ranking military officer—would have been unthinkable a decade earlier. President Menem, whose reputed ties to former military rebels and 1990 pardon of top military officers made him an unlikely candidate to advance civilian supremacy, played a major role in reining in the military. After crushing a military rebellion in 1990, Menem slashed the military's budget from 2.6 to 1.7 percent of GDP, reduced the size of the army by a third, abolished the draft, and privatized military-owned enterprises.

In addition to these advances on the core aspects of democracy, a variety of institutional innovations—many of which were part of the 1994 constitutional reform—can be said to have improved the quality of democracy. These include the direct election of the president (previously elected via an electoral college), of senators (previously elected by provincial legislatures), and of the mayor of the Federal Capital (previously appointed by the president); the passage of legislation requiring that every third spot on parties' legislative lists be occupied by a woman; the introduction of a national ombudsman (*Controladuría*); and the elimination of the requirement that the president be a Roman Catholic.<sup>12</sup>

Finally, on the dimension of horizontal accountability, the "delegative" nature of the Argentine regime may have been somewhat overstated. To the extent that the delegative label fit the Argentine case under the Menem government, it did so only for its first 18–24 months in office. It was during this period that Menem stacked the Supreme Court, pardoned top military officers, and issued the most controversial "Necessity and Urgency Decrees." Although Menem remained a powerful president after 1990, he cannot be said to have governed at the margins of political parties and the legislature. Notwithstanding his often plebiscitarian rhetoric, Menem was routinely forced to negotiate with the PJ

legislative leadership, governors, and top business and labor representatives. Indeed, virtually all of the government's post-1990 reform measures, including the 1991 Convertibility Plan (which by law pegs the Argentine peso to the dollar at a one-to-one rate, and is widely credited with ending hyperinflation), went through the congress, and many of these initiatives were either substantially modified or blocked entirely. Finally, although the 1994 constitutional reform process was born of Menem's rather single-minded effort to gain reelection, the final product was based on an important set of compromises with the UCR. Moreover, the new constitution was approved by all of the major political parties, which infused it with a degree of political consensus that was unprecedented in modern Argentine history.

In sum, while some aspects of Argentina's democratic regime were weakened under Menem, others—including basic political liberties, freedom of the press, and civilian control over the military—were maintained and even strengthened. Indeed, these democratic rights remained intact through both the 1989–90 hyperinflation crisis and the Menem government's radical economic reforms. Although the Argentine liberalization process was among the most rapid and far-reaching in the world, it was undertaken without limits on democratic contestation (as in pre-1989 Chile and Mexico), an *autogolpe* (as in Peru), violent repression of protests (as in Venezuela), or labor repression and states of siege (as in Bolivia).

### The Threat of Hypermajoritarianism

Notwithstanding the relative strengths of contemporary Argentine democracy, there is little question that hypermajoritarianism posed a serious threat to the quality—if not the stability—of the country's representative institutions in the early 1990s. The Menem government's concentration and abuse of power was facilitated by a distinctive power imbalance that emerged as a result of the 1989–90 hyperinflation crisis and its aftermath. The crisis weakened civil society and dulled public opposition to abuses of power. Indeed, many politicians and citizens alike welcomed Menem's "strong hand" as necessary to combat hyperinflation. This situation was exacerbated by the government's extraordinary success in stabilizing the economy, as a result of which Menem and Economic Minister Domingo Cavallo came to be viewed as "indispensable" by much of the economic elite and a significant fraction of the electorate. This perceived indispensability raised the threshold of public tolerance for abuses of power. It also facilitated Menem's effort to reform the constitution and run for reelection. The fact that reelection was backed by the bulk of the economic establishment and—according to surveys—a large majority of voters helped Menem break down the opposition of the UCR via a threat to hold a plebiscite on the issue.

**TABLE—THE FRAGMENTATION OF THE OPPOSITION VOTE, 1991–95**  
(Percentages)

PARTY	1991 LEGISLATIVE	1993 LEGISLATIVE	1994 CONSTITUENT ASSEMBLY	1995 PRESIDENTIAL
<b>PJ</b>	<b>40</b>	<b>43</b>	<b>39</b>	<b>50</b>
UCR	29	30	21	17
Big Front/ FREPASO	--	4	13	29
Right/Provincial <sup>1</sup>	16	11	12	--
Left / Center-Left MODIN <sup>2</sup>	11	3	3	2
(Nationalist)	4	6	9	2
<b>Margin of Victory</b>	<b>11</b>	<b>13</b>	<b>18</b>	<b>21</b>

<sup>1</sup> This includes the conservative Center Democratic Union (UCeDe), which received 6 percent of the presidential vote and 9 percent of the legislative vote in 1989 but declined precipitously thereafter.

<sup>2</sup> Movement for Dignity and National Independence, led by former military rebel Aldo Rico.  
Sources: Data taken from Rosendo Fraga, *Argentina en las Urnas 1916–1994* (Buenos Aires: Editorial Centro de Estudios Unión Para la Nueva Mayoría, 1995).

The crisis also weakened and fragmented the political opposition. The UCR was discredited both by the disastrous economic performance of the Alfonsín government and by the party's support for the Olivos Pact. As the Radicals' electoral performance declined (from a high of 52 percent in 1983 to just 17 percent in 1995), the middle-class anti-Peronist vote fragmented. In urban centers such as the Federal Capital, middle-class votes migrated to the Big Front (which later became FREPASO), a new center-left coalition that captured 13 percent of the vote in the 1994 constituent assembly elections and a striking 29 percent in the 1995 presidential elections. In the interior, middle-class votes migrated to a range of provincial parties. Hence, while the bulk of the middle-class electorate continued to vote anti-Peronist in the 1991–95 period, this opposition vote was dispersed among several competing parties. The result was a weak and divided opposition widely perceived as incapable of posing a serious alternative to Menem.

Menem's perceived indispensability and the crisis of the opposition enabled the PJ to establish itself as a near-dominant party in the party system in the 1989–95 period. Menem brought together two distinct segments of the electorate: 1) "Menemist" voters (approximately 10–15 percent of the electorate)—independent and generally conservative middle-class and upper-middle-class voters who backed the PJ out of support for the economic program; and 2) traditional—predominantly working and lower class—Peronist voters (approximately 30–35 percent of the electorate). Together, these two segments constituted a powerful electoral coalition; in the face of a fragmented opposition, this coalition became virtually unbeatable. As the Table above shows, the PJ easily won the 1991 and 1993 midterm elections and the 1994 constituent

assembly elections, and Menem won by an overwhelming margin in the 1995 presidential election. Despite the fact that the PJ won only a plurality in each of these elections, its margin of victory never fell below 11 percentage points.

The PJ's string of landslide victories (which, going back to 1987, totaled six in a row) and the perceived absence of a viable opposition raised fears that the PJ would establish itself as a hegemonic party. Some observers even began to speak ominously of the "Mexicanization" of Argentine politics. While single-party dominance is not necessarily undemocratic, in a country with fragile republican institutions and virtually no tradition of consensus-based politics, such a context creates dangerous opportunities for the abuse of governmental power. As noted above, President Menem did in fact take advantage of this temporary power imbalance to govern in a highly unilateral manner. Had Peronism's political dominance continued, such hypermajoritarianism might have seriously eroded the country's representative institutions. As it turned out, however, the threat of Peronist hegemony proved to be a paper tiger, and the specter of "Mexicanization" quickly evaporated.

### **The Transition to "Postcrisis" Politics**

The crisis conditions that gave birth to both Menemism and hypermajoritarianism eroded during Menem's second term. Two developments were critical to this outcome. The first was the emergence of what might be called "postcrisis" politics. Between 1989 and 1993, the salience of the economic crisis was such that other issues, including those surrounding Menem's abuse of power, were devalued by a large sector of the electorate. Over the course of the 1990s, however, fears of a return to hyperinflation faded and economic stability was increasingly taken for granted. As a result, postcrisis issues like corruption, consumer rights, and judicial independence gained salience. The emergence of these new issues reshaped the dynamics of political competition, largely at the expense of the Peronists. Because the Menem government fared poorly on most postcrisis issues (particularly corruption), its image began to erode as the atmosphere of crisis subsided.

A second (and related) development was the resurrection and unification of the middle-class opposition. The UCR and FREPASO, which had been widely viewed as incapable of governing in the early and mid-1990s, undertook two critical strategic changes beginning in 1994. First, they accepted the core elements of the new economic model. Aware that they could not build a winning electoral coalition in opposition to the Menem reforms, FREPASO leaders announced in late 1994 that they would not seek to modify the government's Convertibility Plan, privatization, or trade liberalization. Although the UCR opposed

the Convertibility Plan in the 1995 election, most Radical leaders committed themselves to the new model after 1995. Second, the UCR and FREPASO formed the Alliance in August 1997, which ended the PJ's electoral "hegemony" virtually overnight. With the bulk of the (predominantly middle-class) anti-Peronist vote united into a single bloc, the PJ's capacity to win elections—let alone landslides—with 40–45 percent of the vote was suddenly open to question.

With the emergence of the Alliance as a credible alternative, Menem and the PJ ceased to be perceived as indispensable for economic stability. The Alliance's commitment to the Convertibility Plan—made public on the very day of its formation—was widely viewed as credible. According to a September 1997 survey, for example, 95 percent of Argentines believed that economic stability would survive into the future, no matter who was in power.<sup>13</sup> A survey of business leaders carried out during the same month found that 72 percent believed that the economy would remain the same or improve if the Alliance gained power.<sup>14</sup>

These changes shifted the balance of power in the Argentine party system. Less than six months after its formation, the Alliance defeated the PJ by 46 to 36 percent in the 1997 legislative elections. This victory was made possible by the large-scale defection of independent—predominantly middle-class and upper-middle-class—voters who, confident that economic stability was assured, gave priority to noneconomic issues like corruption, judicial independence, and education. The Alliance and Cavallo's Action for the Republic party,<sup>15</sup> both of which centered their campaigns on such "postreform" issues, captured a large number of these ex-"Menemist" voters, essentially reducing the PJ to its core working-class and lower-class electorate. As a result, the PJ's string of six straight electoral victories—and more importantly, the aura of Peronist hegemony—was broken.

The change in the balance of power was also made manifest in 1998, when Menem engaged in a reckless, if ultimately half-hearted, attempt to run for a third term. Menem had succeeded in reforming the constitution in 1994 because he enjoyed the support of his party, of the bulk of the economic establishment, of roughly two-thirds of the electorate, and—with the Olivos Pact—of the UCR. Four years later, however, the situation had changed markedly. Not only was Menem's "re-reelection" bid opposed by half of the PJ and a large part of the economic establishment, but surveys showed that an overwhelming majority (about 80 percent) of Argentines rejected it as well. Moreover, the opposition to Menem's reelection bid was strong and united and included Cavallo. Menem sought to obtain a favorable ruling from the Menemist-dominated Supreme Court, but in this new political context, the president's allies on the court, aware of the potential consequences of such an illegitimate ruling (including impeachment and even

prosecution if Menem were to lose the election), quietly made it clear that they would take no such action. As a result, Menem was left with no alternative but to hand over the presidency, as scheduled, in December 1999.

### The October 1999 Elections

The October 1999 elections marked the consolidation of postcrisis politics. As in 1997, the Alliance neutralized the PJ's advantage on the economic issue by unambiguously accepting the new economic model, which enabled the election to be fought out over postcrisis issues. Both de la Rúa and third-party candidate Domingo Cavallo effectively presented themselves as postcrisis alternatives, combining a promise of economic continuity with a clean-government appeal. De la Rúa, who was the heavy favorite from the outset, ran a cautious campaign. He made few mistakes and—beyond his pledge to clean up government—few promises. Although many of de la Rúa's FREPASO allies were uncomfortable with the conservative tone of the campaign, FREPASO leader and vice-presidential candidate Carlos "Chacho" Alvarez kept them in line, and the Alliance suffered surprisingly little internal conflict.

By contrast, Duhalde's candidacy was plagued with difficulties. The PJ, torn between Menem's neoliberalism and Duhalde's more populist profile, was unable to present a coherent message. Moreover, due to the intense power struggle that arose as a result of Menem's unwillingness to give up control of the party, Duhalde's campaign received little support from—and often appeared to be actively undermined by—the president. Most importantly, however, the PJ failed to build a broad multiclass appeal. Duhalde, whose record as governor of the province of Buenos Aires included alliances with a variety of shady political figures and a failure to reign in the province's notoriously corrupt and abusive police force, never made serious inroads into the middle-class electorate.

The Alliance's victory was thus a product of the breakdown of the Menemist electoral coalition. Although Duhalde managed to retain the bulk of the traditional Peronist electorate, he failed to attract most of the independent and conservative voters who had backed Menem in 1995. These voters, no longer perceiving the PJ as indispensable for economic stability and growing increasingly intolerant of the Menem government's corruption and abuses, opted *en masse* for the Alliance or Cavallo. Hence, although the PJ was hurt by the economic downturn that marked the final year of Menem's presidency, its defeat was *not* primarily the result of public opposition to the government's economic program. It was generally wealthier, proreform voters, rather than the poor or the unemployed, who abandoned the PJ in 1997 and 1999. While some of these voters defected in response to the recession, most appear to have done so in response to the government's shortcomings on *noneconomic*

issues. Paradoxically, then, the unraveling of the Menemist coalition was in large part a product of the Menem government's own economic success. Only when the reforms had been consolidated and economic stability could be taken for granted did postcrisis issues like corruption and judicial independence gain salience, and *only then* did the independent voters who had sustained the Menemist coalition abandon the PJ.

In many ways, the October election represented a victory for conventional politics. Whereas the early 1990s had witnessed the rise of "outsider" and antiparty candidates, including ex-athletes, musicians, and even former military leaders, the 1999 election was dominated by traditional parties and politicians. De la Rúa is a classic career politician. A longtime UCR leader, he had been a familiar face in Argentine politics—most recently as mayor of the city of Buenos Aires—for nearly three decades. Moreover, as de la Rúa himself repeatedly recognized throughout the campaign, he was a relatively boring candidate. Unlike Menem, he did not race sports cars or appear in public with celebrities; he rarely made newsworthy public statements and promised few sweeping policy changes. Nevertheless, he was quite popular. A similar story unfolded at the provincial level, where established politicians captured virtually every one of the country's 23 governorships. "Outsider" or nonparty candidates were scarce and generally fared poorly.<sup>16</sup>

The election thus showed the continued strength of Argentina's two traditionally dominant parties. After more than a decade of decline, the UCR regained both the presidency and the governorships of such key provinces as Entre Ríos and Mendoza; although the PJ lost the presidency, it won nearly two-thirds of the country's governorships and remains Argentina's largest party. Given the cycles of political conflict, regime instability, and repression that characterized Argentine politics for much of the postwar period, the advent of a more conventional, routinized, and even boring politics is almost certainly a positive development.

The 1999 election may also produce important changes in the way politics is done in Argentina. The hypermajoritarianism that characterized the Menem government is likely to be replaced by a more consensus-based politics. Whereas the economic crisis and the weakness and discrediting of the UCR permitted Menem to concentrate power and govern unilaterally, the post-Menemist political map is much more pluralist. Because the de la Rúa government is based on a coalition rather than a single party, policy making will require constant negotiations between the UCR and FREPASO. Moreover, the PJ controls 14 of 23 governorships, including those of the three largest and most industrialized provinces (Buenos Aires, Córdoba, and Santa Fe), and the Peronists maintain firm control of the senate. The Alliance also fell

short (albeit barely) of a majority in the Chamber of Deputies and will therefore have to build alliances with provincial parties or Action for the Republic. Finally, the new government will (at least initially) face a Supreme Court with a pro-Menem majority. In short, power is fragmented. To govern effectively, de la Rúa will have to negotiate and share power, not only with his FREPASO allies, but also with the Peronists. This new pattern of consensus-based policy making was evident in the passage of the de la Rúa government's first budget in late December 1999. After several weeks of haggling, the final budget was based on a compromise with top Peronist governors and senate leaders. While such consensus-building is the essence of "normal" democratic politics, in a country where democracy has often degenerated into hypermajoritarianism, it represents a major change.

### **Prospects for the Future**

There are real reasons for optimism regarding the future of Argentine democracy. All the country's major social and political actors have demonstrated a clear commitment to democratic "rules of the game" for more than a decade, and those rules are buttressed by a relatively strong civil society, vigorous independent media, and a reasonably stable and effective party system. Moreover, a broad consensus has developed in the party system around the most fundamental issues facing the country, including macroeconomic policy, military policy, and foreign policy. Although one may question the benefits of such a Chile-like narrowing of the agenda for the quality of political representation, it will almost certainly contribute to regime stability. In the economic realm, the end of the hyperinflation crisis has been critical to the stabilization of politics; it has enhanced state capacity, lengthened the time horizons of social and political actors, and reduced the likelihood of praetorianism and large-scale social conflict. Finally, many of the factors that have been cited as major sources of past regime instability, such as the existence of a powerful populist "threat" and the party system's failure to adequately protect the interests of the country's socioeconomic elite,<sup>17</sup> have largely disappeared. With the weakening of organized labor and Menem's embrace of orthodox economic policies, neither Peronism nor the Peronist-dominated labor movement poses a serious threat to economic elites, and although Argentina continues to lack a conservative party, business leaders and conservative elites have been extremely well represented in both the Menem and de la Rúa governments. In sum, although the concept of consolidation is a notoriously slippery one,<sup>18</sup> it is reasonable to suggest that Argentine democracy has been consolidated.

What are the short-term prospects for democratic governance under the Alliance? Some observers have suggested that the Peronist opposition

could become a destabilizing force under de la Rúa as it did under past non-Peronist elected governments in the 1960s and—to a lesser extent—the 1980s. Indeed, only slightly more than a decade ago, the Peronist-led General Labor Confederation (CGT) led 13 general strikes against the Alfonsín government. Yet there are reasons to expect the PJ to adopt a more conciliatory posture today. First, organized labor is weaker than it has been at any time since 1945, and because its future strength hinges on the de la Rúa government's policies on issues like labor-market deregulation and the union-administered health insurance system, it has a strong incentive to negotiate with, rather than confront, the new government. Second, the PJ, lacking an institutionalized authority structure, is likely to fragment in opposition. Although this would make it harder to negotiate programmatic accords, it would also reduce the likelihood that Peronism will pose a serious threat to governability. Third, and perhaps most importantly, the PJ has undergone a fundamental transformation since the 1980s. For the first time, the PJ now has an experienced, professionalized leadership, both in the governorships and in the legislature. The party's emerging leaders—particularly newly elected governors José Manuel de la Sota (Córdoba), Carlos Reutemann (Santa Fe), and Carlos Ruckauf (Buenos Aires)—have a strong stake in maintaining political and economic stability, for their future presidential aspirations hinge on their capacity to govern well in their provinces. The PJ leader with the greatest stake in de la Rúa's failure is probably Menem, for a new crisis is probably his only means of returning to the presidency in 2003. Yet although Menem remains party president, he has little influence over the Peronist governors, which will severely limit his capacity to rally the party behind a hard-line oppositionist project. Indeed, it was the governors, not Menem, who defined the PJ's strategy during the initial months of the de la Rúa administration.

The greatest challenges to the new government will likely be the economy and crime. The Convertibility Plan leaves governments in a difficult bind. On the one hand, abandoning convertibility is nearly impossible from a political standpoint, both because of widespread fear of renewed inflation and because such a change requires congressional approval (and the initiation of congressional debate on the issue risks provoking a flurry of speculation). On the other hand, the peso is almost certainly overvalued, and convertibility has sharply limited the government's capacity to respond to either Brazil's recent devaluation or the recent economic downturn. Unable to use monetary policy or the exchange rate as macroeconomic tools, Argentine governments have little alternative but to turn repeatedly to fiscal adjustment. To make matters worse, the de la Rúa government inherited a substantial fiscal deficit, which compelled it to pursue a new adjustment program immediately after taking office. With unemployment hovering around

14 percent and many middle-class and working-class Argentines still reeling from a decade of adjustment, it unclear how long these cycles of belt-tightening can be sustained.

A second area of concern is public security. The crime issue has raised so much public concern that Buenos Aires governor Carlos Ruckauf appointed Aldo Rico, an ultranationalist former military rebel who espouses highly authoritarian means of maintaining public order (and put some of them into practice as mayor of the municipality of San Miguel), as his secretary of security. That Rico's appointment was not only acceptable but indeed highly popular in Argentina's largest province suggests that the failure of moderate and liberal politicians to address the crime problem adequately could have very negative implications for civil liberties.

Given the relative strength of Argentina's core democratic institutions, however, these problems are unlikely to be regime-threatening. If de la Rúa can deliver on his promise of a "boring" government without major scandals, large-scale policy reversals, or institutional crises, the routinization—and perhaps deepening—of Argentine democracy can be expected to continue. Indeed, it is one of the great paradoxes of Menem's presidency that at its close, in spite of Menem's evident lack of interest in strengthening democratic institutions, the prospects for stable democracy have perhaps never been better.

## NOTES

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1. Adam Przeworski and Fernando Limongi, "Modernization: Theories and Facts," *World Politics* 49 (January 1997), 170.

2. See Guillermo O'Donnell, "Delegative Democracy," *Journal of Democracy* 5 (January 1994): 55–69; Juan J. Linz and Alfred Stepan, *Problems of Democratic Transition and Consolidation: Southern Europe, South America, and Post-Communist Europe* (Baltimore: Johns Hopkins University Press, 1996): 200–204; Larry Diamond, *Developing Democracy: Toward Consolidation* (Baltimore: Johns Hopkins University Press, 1999), 34–35.

3. See Guillermo O'Donnell, "Delegative Democracy" and Guillermo O'Donnell, "Horizontal Accountability in New Democracies," *Journal of Democracy* 9 (July 1998): 112–26.

4. See Guillermo O'Donnell, "Delegative Democracy"; Liliana De Riz, "Argentina: Democracy in Turmoil," in Jorge I. Domínguez and Abraham F. Lowenthal, eds., *Constructing Democratic Governance: South America in the 1990s* (Baltimore: Johns Hopkins University Press, 1996); Carlos S. Niño, "Hyper-Presidentialism and Constitutional Reform," in Arend Lijphart and Carlos H. Waisman, eds., *Institutional Design in New Democracies* (Boulder, Colo.: Westview, 1996); Juan J. Linz and Alfred Stepan, *Problems of Democratic Transition and Consolidation*, 200–204; Ferrera Rubio and Goretti, "When the President Governs Alone"; and Larry Diamond, *Developing Democracy*, 34–35. For a

critique of this view, see Vicente Palermo and Marcos Novaro, *Política y poder en el gobierno de Menem* (Buenos Aires: Grupo Editorial Norma Ensayo, 1996), 477–505.

5. Liliana De Riz, “Argentina: Democracy in Turmoil.”

6. Philippe C. Schmitter, “Transitology: The Science or the Art of Democratization?” in Joseph S. Tulchin (with Bernice Romero), ed., *The Consolidation of Democracy in Latin America* (Boulder, Colo.: Lynne Rienner, 1995), 17.

7. Kenneth M. Roberts, “Neoliberalism and the Transformation of Populism in Latin America: The Peruvian Case,” *World Politics* 48 (October 1995): 110–11; Kurt Weyland, “Neopopulism and Neoliberalism in Latin America: Unexpected Affinities,” *Studies in Comparative International Development* 31 (Fall 1996), 3.

8. Liliana De Riz, “Argentina: Democracy in Turmoil,” 165; and Marcos Novaro, “Shifting Alliances: Party Politics in Argentina,” *NACLA Report on the Americas* 31 (May–June 1998), 15.

9. Argentina scores better than Brazil and slightly worse than Chile on Freedom House’s 1998–99 index. However, in several areas, including civilian control over the military and some civil liberties (such as free speech), the Argentine record is arguably better than that of Chile.

10. In 1992, President Menem attempted to enact a “Truth in the Press” law that would have threatened press freedom. However, the measure provoked substantial public opposition and was abandoned.

11. According to Freedom House, more than 1,000 attacks on, or threats to, journalists were reported during Menem’s ten years in office. Among the most notorious cases are the 1993 beating of Hernan López Echague (who was writing a book on Buenos Aires governor Eduardo Duhalde) by thugs linked to Duhalde’s political machine and the 1997 killing of news photographer José Luis Cabezas, apparently at the orders of mafia boss Alfredo Yabran, who has maintained ties to several top government officials.

12. See James W. McGuire, *Peronism without Perón: Unions, Parties, and Democracy in Argentina* (Stanford, Calif.: Stanford University Press, 1997), 252–53.

13. *Clarín* (Buenos Aires), 4 September 1997, 9.

14. *Clarín* (Buenos Aires), 22 September 1997, 11.

15. After leaving the government in 1996, Cavallo became one of Menem’s most vocal critics, particularly on issues of corruption.

16. Such was the case in the Buenos Aires suburb of La Matanza, where a television personality known as “Pinky” lost a highly publicized mayoral race to a little known PJ politician; in Buenos Aires, where the outsider gubernatorial candidacy of former police official Luis Patti fizzled; and in Tucuman, where ex-General Antonio Bussi’s Republican Force was defeated by PJ senator Julio Miranda.

17. See Torcuato Di Tella, “Stalemate or Coexistence in Argentina,” in James Petras and Maurice Zeitlin, eds., *Latin America: Reform or Revolution* (Greenwich: Fawcett Publishers, 1968), 323–24; Guillermo O’Donnell, *Modernization and Bureaucratic-Authoritarianism* (Berkeley: Institute of International Studies, 1979), 167–97; Ruth Berins Collier and David Collier, *Shaping the Political Arena* (Princeton: Princeton University Press, 1991), 105; and Edward Gibson, *Class and Conservative Parties: Argentina in Comparative Perspective* (Baltimore: Johns Hopkins University Press, 1996).

18. See Guillermo O’Donnell, “Illusions About Consolidation,” *Journal of Democracy* 7 (April 1996): 34–51.