

ORGANIZATION AND LABOR- BASED PARTY ADAPTATION

The Transformation of Argentine Peronism in Comparative Perspective

By STEVEN LEVITSKY*

THE new world economic order has not been kind to labor-based political parties.¹ Changing trade and production patterns, increased capital mobility, and the collapse of the Soviet bloc dramatically reshaped national policy parameters in the 1980s and 1990s. Traditional left-wing programs were discredited, and policies based on Keynesian and import-substituting models came to be dismissed as populist and inflationary. At the same time changes in class structure eroded the coalitional foundations of labor-based parties. The decline of mass production and the expansion of the tertiary and informal sectors weakened industrial labor organizations, limiting their capacity to deliver the votes, resources, and social peace that had been at the heart of the traditional party-union exchange. These developments created an incentive for labor-based parties to rethink their programs, redefine their relationship with unions, and target new electoral constituencies. Such change is not easy, however. Adaptive strategies often run counter to parties' traditional programs and the interests of their old constituencies, and as a result party leaders are often unwilling—or unable—to carry them out.

In the mid-1980s the Argentine (Peronist) Justicialista Party (PJ) appeared to be an unlikely candidate for successful labor-based party adaptation. Not only had Peronism opposed liberal economic policies since the 1940s, but it was also a mass party with close ties to old guard

*The author thanks Felipe Aguero, Katrina Burgess, David Collier, Ruth Berins Collier, Jorge Domínguez, Sebastián Etchemendy, Kenneth Greene, Gretchen Helmke, Chappell Lawson, Scott Mainwaring, James McGuire,¹ María Victoria Murillo, Guillermo O'Donnell, Kenneth Roberts, Richard Snyder, Susan Stokes, and two anonymous reviewers from *World Politics* for their comments on earlier versions of this article.

¹Labor-based parties are parties whose core constituency is *organized labor*. Such parties depend on union support (in the form of organizational resources, votes, and social peace) for their success, and in exchange they often grant unions influence over the party program and the candidate-selection process.

industrial unions, which are widely viewed as obstacles to reform.² Yet the PJ underwent a striking transformation. First, it redefined its relationship with organized labor, dismantling traditional mechanisms of union participation and replacing them with patronage-based territorial structures. Indeed, by the early 1990s urban Peronism had transformed itself from a labor-dominated party into a machine party. Second, the PJ adapted its socioeconomic program. Beginning in 1989 the government of Carlos Menem dismantled the statist, inward-oriented economic model established under Perón and implemented a neoliberal program that sharply contradicted the party's traditional platform. These changes were carried out with considerable success. Menem faced little intraparty opposition, and the PJ won four straight national elections between 1989 and 1995—including Menem's landslide reelection.

Drawing on the Peronist case, this article examines the capacity of Latin American labor-based parties to adapt to contemporary processes of socioeconomic change. It builds on recent studies of parties in the advanced industrialized countries, adopting an organizational approach to party change. Yet it also refines this literature by highlighting a dimension of organization that is often taken for granted in the dominant literature: the institutionalization of internal rules and procedures. The article argues that low levels of institutionalization, though generally associated with inefficiency and disorder, may enhance an organization's flexibility during periods of crisis. Thus, loosely structured labor-based parties (such as many mass populist parties) may be better equipped than highly institutionalized working-class parties (such as many socialist and communist parties) to adapt and survive in a context of economic crisis or change. The argument is illustrated through an analysis of the Peronist case. The central claim is that the PJ's striking transformation was facilitated by a party structure that combined a powerful mass organization with a weakly institutionalized leadership hierarchy. The PJ's fluid internal structure permitted rapid leadership renovation and granted party leaders substantial room for maneuver in searching for and implementing adaptive strategies, which allowed them to undertake far-reaching changes in both the party's relationship to organized labor and its economic program. At the same time Peronism's deep roots in society ensured that its electoral base remained relatively stable, despite these radical elite-level changes.

² Thomas Koelble, "Recasting Social Democracy in Europe: A Nested Games Explanation of Strategic Adjustment in Political Parties," *Politics and Society* 20, no. 1 (1992); Herbert Kitschelt, *The Transformation of European Social Democracy* (New York: Cambridge University Press, 1994), 225.

The article is divided into four sections. The first section develops a theoretical framework for analyzing party change, making the case for an organizational approach. The second section presents the argument that under certain conditions lower levels of institutionalization may facilitate party adaptation and survival. The third section applies this argument to the Peronist case, showing how the PJ's weakly routinized structure facilitated its coalitional and programmatic adaptation in the 1980s and 1990s. Finally, the fourth section places the Argentine case in comparative perspective through an examination of labor-based adaptation (and nonadaptation) in four other Latin American cases.

EXPLAINING LABOR-BASED PARTY ADAPTATION: AN ORGANIZATIONAL APPROACH

Party adaptation can be understood as a set of changes in *strategy* and/or *structure* that are undertaken in response to (or anticipation of) changed environmental conditions and that then contribute to the party's capacity to meet its "primary goal."³ Although labor-based parties pursue a variety of goals, winning elections is clearly a predominant one. To adapt successfully, a party must accomplish three things. First, its leaders must choose an appropriate strategy. Leaders may fail to respond to environmental change, respond too slowly, or choose ineffective strategies. Second, reformers must sell the strategy to (or impose it upon) the rest of the party. Adaptive strategies often meet resistance from leaders, activists, and unionists who have a stake in the party's traditional project. Third, the party must sell the new strategy to the electorate. No strategy can succeed unless it wins votes.

Labor-based parties adapted to the neoliberal challenge with varying degrees of success in the 1980s and 1990s. Some parties either did not adapt (the Chilean and French communists) or turned leftward initially (the American Popular Revolutionary Alliance [APRA] in Peru) and suffered consequent electoral decline. Others, such as the Austrian socialists and the Institutional Revolutionary Party (PRI) in Mexico, adapted slowly and experienced moderate decline. In still other cases, such as Democratic Action (AD) in Venezuela, leaders attempted to adapt but failed due to opposition from within. Finally, some labor-based parties, including the PJ and the Spanish Socialist Workers Party, adapted quickly and remained in power for substantial periods of time.

³"Primary goal" is taken from Robert Harmel and Kenneth Janda, "An Integrated Theory of Party Goals and Party Change," *Journal of Theoretical Politics* 6, no. 3 (1994), 265.

What explains the variation in the capacity of labor-based parties to adapt and survive in the neoliberal era? Scholars have identified several potential sources of party change. One approach focuses on parties' external environments, particularly their electoral environments.⁴ Because winning public office is a primary goal of most parties, their strategies tend to be shaped by the structure of the electorate and the party system. Parties that do not adapt to changes in the electoral environment are likely to be defeated and/or to experience decline. Because electoral defeat generally results in a loss of resources for parties and party leaders, it often serves as a stimulus for change.⁵ Parties must also respond to changes in the economic environment. Economic factors often constrain the degree to which parties can pursue vote-maximizing strategies, and in some cases they induce programmatic choices that have little to do with the immediate preferences of the electorate. In Latin America, for example, the economic crisis of the 1980s led governing parties to adopt policies that ran directly counter to the platforms on which they campaigned.⁶

Although environmental factors help us understand the incentives for parties to adapt, they tell us little about whether and how parties actually respond to these incentives. Parties may respond slowly or inappropriately to environmental change, or they may not respond at all. Hence, environment-centered approaches have difficulty explaining short-to-medium-term variation across parties facing similar external conditions.⁷ To explain such variation requires looking within the parties themselves.

An alternative explanatory approach centers on the role of leadership. Several scholars have identified the choices and strategies of party leaders as the key to explaining successful or failed adaptation.⁸ Others point to *changes* in party leadership as a primary catalyst for

⁴ Anthony Downs, *An Economic Theory of Democracy* (New York: Harper and Row, 1957); Joseph A. Schlesinger, "On the Theory of Party Organization," *Journal of Politics* 46, no. 2 (1984), 383–84.

⁵ Angelo Panebianco, *Political Parties: Organization and Power* (Cambridge: Cambridge University Press, 1988), 243.

⁶ Susan Stokes, *Mandates, Markets and Democracy: Neoliberalism by Surprise in Latin America* (New York: Cambridge University Press, 2001).

⁷ Thus, Adam Przeworski and John Sprague's conclusion that the erosion of industrial working classes would lead to the decline of electoral socialism proved overly pessimistic; see Przeworski and Sprague, *Paper Stones: A History of Electoral Socialism* (Chicago: University of Chicago Press, 1986), 183–85.

⁸ Richard Rose and Thomas T. Mackie, "Do Parties Persist or Fail? The Big Trade-off Facing Organizations," in Kay Lawson and Peter H. Merkl, eds., *When Parties Fail: Emerging Alternative Organizations* (Princeton: Princeton University Press, 1988), 557; Frank Wilson, "The Sources of Party Change: The Social Democratic Parties of Britain, France, Germany, and Spain," in Kay Lawson, ed., *How Political Parties Work: Perspectives from Within* (Westport, Conn.: Praeger, 1994).

adaptation.⁹ Yet leadership-centered approaches tend to pay insufficient attention to the ways in which leaders' strategies are encouraged or constrained by the political-institutional context in which they operate. Thus, some party organizations grant leaders substantial room for maneuver in searching for and carrying out adaptive strategies, whereas others limit leadership autonomy through strict rules of accountability. Similarly, whereas some party structures facilitate leadership renovation, others tend to inhibit it.

This article integrates environmental change and leadership into an organizational approach to party adaptation. Such an approach places party leaders at the intersection of environmental and intraorganizational dynamics.¹⁰ It assumes that while leaders who seek to increase their political power (or that of their parties) must respond to changes in the external environment, their strategic choices, as well as their capacity to carry out their chosen strategies, are shaped by their parties' organizational structures and internal power games. In other words, it treats vote-maximizing strategies not as an assumption—as in the Downsian tradition—but as an outcome to be explained.

PARTY ORGANIZATION AND ADAPTIVE CAPACITY

Recent work on party organization and change points to several factors that facilitate party adaptation and survival. One set of factors concerns parties' strategic flexibility, which is enhanced by at least two factors. The first is leadership autonomy. To the extent that the strategic initiatives of party leaders are restricted by rules and procedures that ensure accountability to lower-level authorities, their capacity to respond to external challenges will be limited.¹¹ Second, strategic flexibility is enhanced by leadership renovation. Parties that facilitate the entry of fresh blood into their hierarchies are said to be more open to strategic change than are those with entrenched bureaucracies and internal recruitment filters.¹²

Another set of factors that facilitates adaptation and survival relates to a party's rootedness in society. In its extreme form, societal rooted-

⁹ Panebianco (fn. 5), 242–44; Harmel and Janda (fn. 3), 266–67.

¹⁰ Scholarship in this tradition includes Panebianco (fn. 5); Thomas Koelble, *The Left Unraveled: Social Democracy and the New Left Challenge* (Durham, N.C.: Duke University Press, 1991); Koelble (fn. 2); and Kitschelt (fn. 2).

¹¹ Kaare Strom, "A Behavioral Theory of Competitive Political Parties," *American Journal of Political Science* 34, no. 2 (1990), 577; Kitschelt (fn. 2), 212–13.

¹² Kitschelt (fn. 2), 212; Kenneth M. Roberts, *Deepening Democracy? The Modern Left and Social Movements in Chile and Peru* (Stanford, Calif.: Stanford University Press, 1998), 47.

ness is associated with encapsulating mass organizations,¹³ distinct party subcultures, and stable “electorates of belonging.”¹⁴ Encapsulation raises the threshold at which voters decide to abandon their party. Although the organizational encapsulation characteristic of some turn-of-the-century European parties no longer exists anywhere in the world, many parties retain strong organizations and relatively stable core electorates. Even in this weakened form, societal rootedness provides an electoral cushion that enables parties to make strategic changes—and mistakes—without suffering substantial short-term losses.

The literature on party organization and change suggests the existence of a trade-off between strategic flexibility and societal rootedness. This is because scholars often treat mass organization as coterminous with bureaucratization. The dominant literature, which is based largely on studies of the advanced industrialized countries, generally assumes that parties’ internal structures are institutionalized.¹⁵ Thus, intraparty rules and procedures are assumed to be stable, well defined, and widely known and accepted by members, and party organizations are assumed more or less to correspond to the formal, often bureaucratic structures outlined in their statutes. Bureaucratic organization is said to limit strategic flexibility, for it is generally associated with elaborate rules of leadership accountability (that limit leaders’ strategic autonomy)¹⁶ and recruitment filters and stable career paths (that limit leadership renovation).¹⁷ For this reason, mass parties are frequently said to “lack the flexibility to adapt easily to new challenges.”¹⁸ The flexibility-stability trade-off can be seen in Panebianco’s distinction between mass bureaucratic and electoral-professional parties.¹⁹ Whereas mass bureaucratic parties are said to be stable but comparatively inflexible,²⁰ electoral-professional parties are expected to be more flexible but less electorally stable.²¹

¹³ Giovanni Sartori, “European Political Parties: The Case of Polarized Pluralism,” in Robert Dahl and D. E. Neubauer, eds., *Readings in Modern Political Analysis* (New York: Prentice-Hall, 1968); E. Spencer Wellhofer, “Strategies for Party Organization and Voter Mobilization: Britain, Norway, and Argentina,” *Comparative Political Studies* 12, no. 2 (1979).

¹⁴ Panebianco (fn. 5), 267.

¹⁵ For a similar argument, see Scott Mainwaring, *Rethinking Party Systems in the Third Wave of Democratization: The Case of Brazil* (Stanford, Calif.: Stanford University Press, 1999), 21–25.

¹⁶ Strom (fn. 11), 577–79.

¹⁷ Herbert Kitschelt, “Austrian and Swedish Social Democrats in Crisis: Party Strategy and Organization in Corporatist Regimes,” *Comparative Political Studies* 24, no. 1 (1994), 17–21.

¹⁸ Kris Deschouwer, “The Decline of Consociationalism and the Reluctant Modernization of Belgian Mass Parties,” in Richard S. Katz and Peter Mair, eds., *How Parties Organize: Change and Adaptation in Party Organizations in Western Democracies* (London: Sage Publications, 1994), 83; Kitschelt (fn. 2), 216.

¹⁹ Panebianco (fn. 5), 262–67.

²⁰ Kitschelt (fn. 2), 216.

²¹ Panebianco (fn. 5), 272–74.

Yet the flexibility-stability trade-off may not be as costly as the literature suggests. Mass organizations may exist without bureaucracies, stable career paths, or institutionalized mechanisms of leadership accountability. For example, the Peronist party is mass based, but its organization is fluid and informal and its internal rules and procedures are frequently manipulated or ignored. Informal and weakly institutionalized party organizations are common in Latin America. Indeed, they are characteristic of most populist and clientelistic parties.

INSTITUTIONALIZATION AND PARTY ADAPTATION

Although several scholars have identified institutionalization as having an important effect on parties' capacity to adapt,²² they differ considerably over what that effect is.²³ The literature on political organizations has associated institutionalization with a variety of phenomena, including (1) electoral or organizational stability;²⁴ (2) the degree to which organizations are "infused with value" by their members;²⁵ and (3) the routinization of rules and procedures *within* an organization.²⁶ Although scholars often treat these phenomena as dimensions of a single concept,²⁷ such aggregation has analytic costs. Organizations may score very differently on the various dimensions. As noted above, the PJ is well organized but has a poorly routinized internal structure. Consequently, the party has been described as both "highly institutionalized"²⁸ and "weakly institutionalized."²⁹ Different aspects of institutionalization also appear to have different effects on adaptive capacity. Thus, whereas value infusion is said to facilitate organizational adaptation,³⁰ internal routinization is said to inhibit it.³¹

In light of this ambiguity, it may be useful to disaggregate institutionalization into clearly specified components. This article focuses on

²² Samuel P. Huntington, *Political Order in Changing Societies* (New Haven: Yale University Press, 1968), 13–17; Mark Kesselman, "Overinstitutionalization and Political Constraint: The Case of France," *Comparative Politics* 3, no. 1 (1970); Panebianco (fn. 5), 261.

²³ Steven Levitsky, "Peronism and Institutionalization: The Case, the Concept, and the Case for Unpacking the Concept," *Party Politics* 4, no. 1 (1998).

²⁴ Kenneth Janda, *Political Parties: A Cross-National Survey* (New York: Free Press, 1980), 19–27.

²⁵ Huntington (fn. 22), 15; James W. McGuire, *Peronism without Perón: Unions, Parties, and Democracy in Argentina* (Stanford, Calif.: Stanford University Press, 1997), 7–10.

²⁶ James G. March and Johan P. Olsen, *Rediscovering Institutions: The Organizational Basis of Politics* (New York: Free Press, 1989).

²⁷ Janda (fn. 24), 19; Panebianco (fn. 5), 58–60; Mainwaring (fn. 15), 26–27.

²⁸ Mark Jones, "Evaluating Argentina's Presidential Democracy, 1983–1995," in Scott Mainwaring and Mathew Soberg Shugart, eds., *Presidentialism and Democracy in Latin America* (New York: Cambridge University Press, 1997), 272.

²⁹ McGuire (fn. 25), 1.

³⁰ Huntington (fn. 22), 15–17.

³¹ Lynne G. Zucker, "The Role of Institutionalization in Cultural Persistence," *American Sociological Review* 42 (October 1977), 729.

the dimension of routinization—the process by which rules and procedures become known, accepted, and obeyed. When rules and procedures are routinized, they generate stable sets of expectations and interests. In a highly routinized context rules and procedures may become so taken for granted that actors comply with them without evaluating the immediate costs and benefits of such compliance.³²

Routinization is usually associated with greater efficiency. Indeed, established routines and taken-for-granted rules and procedures are essential to the everyday functioning of complex organizations.³³ Yet routinized decision-making processes may also handicap organizations in a context of environmental change by narrowing the range of options considered by leaders over the short term.³⁴ Actors are slower to question structures and strategies that are taken for granted, and when leaders do devise adaptive strategies, established routines and decision rules may limit their capacity to implement them. Considered from an interests-based perspective, routinized structures become entrenched because actors invest in skills, learn strategies, and create organizations that are appropriate to the existing rules of the game. These investments give actors a stake in preserving existing arrangements, as well as a greater capacity to defend them.³⁵ Routinized organizations tend therefore to be “sticky,” in that they do not change as quickly as underlying preferences and power distributions. This leaves such organizations vulnerable to external shocks, for it limits the speed with which they can adapt and often the extent to which they can do so as well. By contrast, in nonroutinized organizations more is up for grabs in the short run, so actors have greater room for maneuver in searching for and carrying out adaptive strategies. Because rules and procedures are not buttressed by vested interests or “taken for grantedness,” actors have less difficulty modifying them to serve their short-term goals. Such organizations thus tend to be less sticky, as lags between institutional outcomes and underlying distributions of power and preferences can be closed with relative ease.

Routinization affects parties’ strategic flexibility in two areas. First, it limits leadership renovation. Where party hierarchies are highly routinized, often in the form of bureaucracies, leadership renovation tends

³² *Ibid.*, 728.

³³ Richard R. Nelson and Sidney G. Winter, *An Evolutionary Theory of Economic Change* (Cambridge: Harvard University Press, 1982), 74–110; March and Olson (fn. 26), 24.

³⁴ Nelson and Winter (fn. 33), 74–83; Lynne Zucker, “Organizations and Institutions,” in Samuel Bacharach, ed., *Research in the Sociology of Organizations*, vol. 2 (Greenwich, Conn.: JAI Press, 1983), 5.

³⁵ Douglass C. North, “A Transaction Cost Theory of Politics,” *Journal of Theoretical Politics* 2, no. 4 (1990), 364–65.

to be slow. In such a context old guard leaders become entrenched in the party hierarchy, and internal recruitment filters and established career paths ward off reformist movements and instill conformity in aspiring leaders.³⁶ Reformers thus tend to be “drowned in a sea of conventional party stalwarts,”³⁷ or what Downs calls “conservers.”³⁸ Hence, bureaucratized hierarchies often take the form of oligarchies, in which leadership turnover occurs “gradually and slowly” and “never through a sudden, massive, and extended injection of new blood.”³⁹ By contrast, where party hierarchies are poorly routinized, movement in and out of the leadership is generally more fluid. Old guard leaders may be more easily removed from the party hierarchy, and the absence of recruitment filters and bureaucratic career paths allows reformers to rise quickly through the ranks.

Second, routinization frequently limits party leaders’ room for maneuver. Although bureaucratic party organizations often produce oligarchic leaderships with considerable autonomy vis-à-vis the rank and file,⁴⁰ they also constrain individual leaders and factions vis-à-vis the rest of the party leadership. The routinization of intraparty rules and procedures tends to “drastically limit internal actors’ margins of maneuverability,” with the result that highly routinized parties tend to respond “slowly and laboriously” to environmental change.⁴¹ By contrast, weakly routinized parties are associated with greater leadership autonomy. The absence of bureaucratic routines and entrenched decision rules allows party leaders to consider a wider range of options and in most cases provides those leaders with greater room for maneuver in carrying out adaptive strategies.⁴²

MASS POPULIST PARTIES: COMBINING ROOTEDNESS AND FLEXIBILITY

To the extent that mass parties are weakly routinized, then, they may avoid the flexibility-stability trade-off. In other words, parties that combine societal rootedness with low levels of bureaucratization may possess a distinct advantage with respect to their adaptive capacity.

³⁶ Kitschelt (fn. 17), 17–21; also Roberto Michels, *Political Parties* (1911; New York: Free Press, 1962), 174–76.

³⁷ Kitschelt (fn. 17), 10.

³⁸ Anthony Downs, *Inside Bureaucracy* (Boston: Little, Brown, 1967), 96–97.

³⁹ William R. Schonfeld, “Oligarchy and Leadership Stability: The French Communist, Socialist, and Gaullist Parties,” *American Journal of Political Science* 25, no. 2 (1981), 231.

⁴⁰ Michels (fn. 36).

⁴¹ Panebianco (fn. 5), 58.

⁴² Robert Harmel and Lars Svasand, “Party Leadership and Party Institutionalization: Three Phases of Development,” *West European Politics* 16, no. 3 (1993), 68.

Many Latin American mass populist parties,⁴³ including the PJ, Bolivian Revolutionary Nationalist Party, Mexican PRI, and Peruvian APRA, fall (to varying degrees) into this category. Although they are often deeply rooted in society, mass populist parties differ in important ways from other working-class parties, such as many communist and socialist parties. Whereas most European communist and social democratic parties built highly structured and disciplined organizations during their formative periods, populist parties were created from above, often by state actors. Their leaderships tended to be personalistic, which inhibited bureaucratization. Thus, whereas most communist and socialist parties consolidated into routinized, bureaucratic organizations, mass populist party organizations often remained unstable and internally fluid. Indeed, many did not survive the departure of their founding leaders.

Those that survived, however, often evolved into strikingly flexible organizations. Although most of these mass populist parties maintained deep roots in society, they lacked the entrenched bureaucratic structures that are said to limit adaptive capacity. Indeed, key legacies of populism, such as loosely structured organizations, nonbureaucratic hierarchies, and relatively autonomous (and personalistic) leaderships, may significantly enhance a party's strategic flexibility. Although there is no guarantee that mass populist parties will adopt *appropriate* strategies when confronted with external challenges, their fluid structures create a greater *opportunity* for adaptation than exists in routinized mass parties.

Figure 1 adds the dimension of routinization to Panebianco's ideal-typical distinction between mass bureaucratic and electoral-professional parties.⁴⁴ On the right side of the figure are the routinized parties that predominate in the literature. In the lower-right quadrant one finds routinized mass parties, such as Panebianco's mass bureaucratic parties. Many postwar European social democratic parties fall into this category; they tend to be electorally stable but comparatively inflexible. In the upper-right quadrant one finds routinized non-mass parties, which correspond to Panebianco's electoral-professional parties. These parties are more flexible, but less electorally stable, than mass bureau-

⁴³ A mass populist party is a mass-based party born of a populist movement, which Collier and Collier define as a movement "characterized by mass support from the urban working class and/or peasantry; a strong element of mobilization from above; a central role of leadership from the middle sector or elite, typically of a personalistic and/or charismatic nature; and an anti-status quo, nationalist ideology and program"; see David Collier and Ruth Berins Collier, *Shaping the Political Arena* (Princeton: Princeton University Press, 1991), 788.

⁴⁴ Panebianco (fn. 5), 262–67.

		Low Routinization	High Routinization
Non-Mass Based		Personalistic Electoral Party	Electoral-Professional Party
	Mass Based	Mass Populist Party	Mass Bureaucratic Party

FIGURE 1

A TYPOLOGY OF PARTIES BASED ON THE DIMENSIONS OF ROUTINIZATION AND MASS ORGANIZATION

cratic parties. On the left side of Figure 1 are weakly routinized parties. In the upper-left quadrant, one finds nonroutinized parties without mass organizations, such as the personalistic parties that predominated in Peru and Russia in the 1990s; they are flexible but often ephemeral. Finally, the lower-left quadrant corresponds to nonbureaucratic mass parties. This category includes mass populist parties such as the PJ and, to a lesser extent, APRA and the PRI. Such parties are characterized by a distinctive combination of stability and flexibility, for although they are mass based, they lack many of the bureaucratic constraints that are common to routinized mass parties. They may therefore be particularly well equipped to adapt to external challenges.

THE CASE OF PERONISM

The PJ adapted with considerable success to the challenges of economic liberalization and working-class decline. Peronism faced a profound environmental challenge in the 1980s. In the coalitional realm its traditional social base was eroding. Trade liberalization and economic crisis had decimated much of the manufacturing sector, which weakened industrial unions, fragmented the working class, and accelerated the growth of the tertiary and informal sectors.⁴⁵ Informal and service sec-

⁴⁵Hector Palomino, *Cambios ocupacionales y sociales en Argentina, 1947-1985* (Occupational and social changes in Argentina, 1947-1985) (Buenos Aires: CISEA, 1987).

tor workers had little contact with the industrial unions that had been the backbone of urban Peronism, and their identities and interests differed from those of traditional blue-collar workers. In this context Peronism's close links to unions from the General Labor Confederation (CGT) threatened to tie it to an increasingly narrow social base. Indeed, the PJ's failure to appeal to middle class and independent voters contributed to its unprecedented defeat in the 1983 elections.⁴⁶ In the programmatic realm the exhaustion of Argentina's statist, inward-oriented economic model, together with the fiscal strain generated by the debt crisis, raised the costs of traditional populist policies. The PJ was not forced to reconcile its traditional platform with the new economic realities while it was in opposition between 1983 and 1989. However, the Alfonsín government's failure to resolve the country's mounting economic problems, which culminated in a hyperinflationary crisis, imposed severe constraints on the Menem government when it took office in 1989, reducing the feasibility of the statist and prolabor policies that had been the core of the Peronist program.

Neither environment-centered nor leadership-centered approaches can fully account for the PJ's striking capacity to adapt to these challenges. Environment-centered explanations have identified the 1989 hyperinflationary crisis as a critical factor in convincing Menem and other PJ leaders of the need for market-oriented reforms.⁴⁷ Yet if environmental factors help us understand why key Peronist elites chose a neoliberal strategy, they are less useful in explaining their capacity to sell it to (or impose it upon) the party. Much of the PJ leadership, including party president Antonio Cafiero, preferred a more gradual and less far reaching reform strategy.⁴⁸ Thus, it remains to be explained how Menem avoided the fate of AD president Carlos Andres Pérez, whose neoliberal response to economic crisis was thwarted in large part by intraparty opposition.⁴⁹

Leadership-centered approaches tend to focus on the role of Carlos Menem. Javier Corrales, for example, attributes the PJ government's successful reforms to Menem's "party conforming" strategy and contrasts it with Carlos Andres Pérez's "party neglecting" strategy in

⁴⁶ Edgardo Catterberg, *Argentina Confronts Politics: Political Culture and Public Opinion in the Argentine Transition to Democracy* (Boulder, Colo.: Lynne Rienner, 1991), 81–82.

⁴⁷ Vicente Palermo and Marcos Novaro, *Política y poder en el gobierno de Menem* (Politics and power in the Menem government) (Buenos Aires: Norma Ensayo, 1996), 143.

⁴⁸ Steven Levitsky, "From Laborism to Liberalism: Institutionalization and Labor-Based Party Adaptation in Argentina, 1983–95" (Ph.D. diss., University of California, Berkeley, 1999), 216–17.

⁴⁹ Javier Corrales, "From Market Correctors to Market Creators: Executive-Ruling Party Relations in the Economic Reforms of Argentina and Venezuela" (Ph.D. diss., Harvard University, 1996).

Venezuela.⁵⁰ Yet such an argument understates the differences in the party organizations within which Menem and Pérez operated. Whereas AD's bureaucratic structure allowed intraparty opponents to impose significant constraints on Pérez, the PJ's fluid structure and absence of accountability rules limited the ability of Peronist leaders to oppose Menem, thereby granting the Argentine president substantial room for maneuver.

A full understanding of the PJ's adaptive capacity requires an analysis of its organizational structure. The weakly routinized nature of the Peronist organization provided the party with a degree of strategic flexibility that is uncharacteristic of most working-class parties. Although deindustrialization and economic crisis created a strong incentive to adapt, the PJ's rapid response to these incentives was made possible by a party structure that encouraged leadership renovation and organizational change. Similarly, although Menem's leadership was critical to the PJ's successful transformation, his capacity to carry out a radical adaptive strategy was rooted in a weak, nonbureaucratic hierarchy that left internal critics with little incentive and few opportunities to challenge him.

POPULISM AND PARTY FLEXIBILITY: THE PJ AS A WEAKLY ROUTINIZED MASS PARTY

The PJ is a mass-based but weakly routinized party. It is mass based in that it maintains a powerful organized presence in working- and lower-class society. In 1993 PJ membership stood at 3.85 million,⁵¹ and its membership-to-vote ratio of 54.2 exceeded those of postwar social democratic parties in Austria, Germany, and Sweden.⁵² The party also possesses a dense infrastructure of local branches and maintains extensive ties to unions and other social organizations.⁵³ Moreover, the Peronist subculture and identity remain deeply rooted among the Argentine poor, who constitute a relatively stable core electorate for the PJ.⁵⁴

Unlike many other mass working-class parties, however, the PJ is thoroughly nonbureaucratic. Its mass linkages are almost entirely infor-

⁵⁰ Ibid., 213–17.

⁵¹ Jones (fn. 28), 274.

⁵² See Stefano Bartolini and Peter Mair, *Identity, Competition, and Electoral Availability* (Cambridge: Cambridge University Press, 1990), 234. Although PJ membership entails a lower level of commitment than in most European mass parties, this figure is nevertheless strikingly high.

⁵³ Steven Levitsky, "An Organized Disorganization: Informal Organization and the Persistence of Local Party Structures in Argentine Peronism," *Journal of Latin American Studies* 33, no. 1 (2001), 40–43.

⁵⁴ Pierre Ostiguy, "Peronism and Anti Peronism: Class-Cultural Cleavages and Political Identity in Argentina (Ph.D. diss., University of California, Berkeley, 1998).

mal, and its internal rules and procedures are strikingly fluid. The roots of this fluidity lie in the PJ's populist origins. The original Peronist party was largely a personalistic vehicle for Juan Perón. Repeatedly reorganized from above during the first Perón government (1946–55), the party never developed a stable internal structure. After Perón's overthrow, the movement fell into a decentralized, semianarchic state, with no overarching authority structure or broadly accepted rules of the game. In exile Perón repeatedly derailed efforts by union and provincial bosses to routinize the party.⁵⁵ After Perón's death and during the 1976–83 dictatorship, the movement again fell into an anarchic state in which no faction was able to impose a binding set of rules.

The PJ thus emerged from military rule in a state of extreme fluidity. Although the democratizing reforms of the Peronist "Renovation" brought a degree of institutional order to the party in the late 1980s, they did not establish an effective central bureaucracy, autonomous party leadership bodies, or stable rules of the game in key areas of party activity. Thus, even in the 1990s intraparty rules were not taken for granted but rather were viewed instrumentally. As a result, they were routinely circumvented, ignored, or "modified according to the needs of the leadership."⁵⁶ As one party activist put it, "We use the party statutes when they are useful. When they are not useful, we don't use them."⁵⁷ The relative absence of internal routinization can be seen in three areas: (1) the party hierarchy, (2) leadership bodies, and (3) the party-union linkage.

A FLUID PARTY HIERARCHY: CAREER PATHS AND LEADERSHIP/CANDIDATE SELECTION

The PJ hierarchy is strikingly fluid. Because the party lacks recruitment filters, stable career paths, or tenure security, Peronists routinely gain access to top leadership positions without rising through the party ranks. For example, Isabel Perón and José María Vernet rose to the PJ presidency (in 1974 and 1984, respectively) without having previously held party office. Moreover, leaders may just as easily be removed from the party hierarchy. Indeed, the first four acting presidents elected after 1983—Lorenzo Miguel, José María Vernet, Vicente Saadi, and Antonio Cafiero—were forced to step down before the end of their four-year terms. Despite the introduction of direct internal elections in 1987, not once during the 1990s was the PJ leadership or presidential

⁵⁵ McGuire (fn. 25).

⁵⁶ Author interview with congressional deputy José Lopez, Buenos Aires, September 15, 1997.

⁵⁷ Author interview with party activist, Buenos Aires, September 9, 1997.

ticket chosen via competitive elections. Indeed, twenty-five years after Perón's death and more than a decade after the Renovation reforms, the party leadership had still never changed hands by institutional means.

The PJ's nonbureaucratic hierarchy permits substantial leadership turnover. Leadership changes frequently entail virtual housecleaning, in which the entire old guard is removed. In 1985, for example, more than 80 percent of the National Council Executive Board was replaced, and in 1987 more than 90 percent of the board was replaced. Turnover between 1983 and 1987 was a full 100 percent. Although this rate declined somewhat in the 1990s, it remained strikingly high. Between 1991 and 1995, executive board turnover was 63 percent.

As important as actual housecleaning is the *threat* of housecleaning. Because the PJ lacks tenure security and stable career paths, and because the state, rather than the party, is the primary source of positions of power and prestige, ambitious Peronists must remain on good terms with office-holding party leaders. For this reason internal power shifts are routinely accompanied by bandwagoning processes in which leaders and activists defect en masse to winning factions. Hence, whereas conservatism may be a rational career-preserving strategy in a bureaucratic context,⁵⁸ defecting to internal factions that hold (or are about to hold) state power is a more rational strategy for Peronists. Rather than holding on as entrenched bureaucrats, then, old guard Peronists become converts.

WEAK LEADERSHIP BODIES: THE ABSENCE OF TAKEN-FOR-GRANTED AUTHORITY

The PJ's formal leadership bodies are also poorly routinized. Although the National Council is formally the party's ultimate day-to-day authority, in practice, the body has never been taken for granted as the ultimate decision-making arena. In the 1970s the National Council was widely ignored by Peronists (who viewed it as subordinate to Perón and the ill-defined Peronist "movement"), and as late as 1984 it competed with two parallel authority structures: a federal council created by PJ governors seeking to take over the party leadership and a superior command created by former president Isabel Perón. Although these structures disappeared after the mid-1980s, Peronists still do not take the authority of the National Council and other party organs seriously. As one local party leader put it, "Other parties can't do anything if they don't talk about it first in the party council. We don't pay any attention to the party council."⁵⁹

⁵⁸ Downs (fn. 38), 96–100.

⁵⁹ Author interview with local party leader, Quilmes, province of Buenos Aires, May 8, 1997.

Due to the weakness of the PJ's formal leadership bodies, real authority in the party tends to be concentrated in the hands of those who control key resources, particularly public officeholders. Thus, when the PJ controls the presidency, "the government runs the party."⁶⁰ In the absence of effective leadership bodies or established norms of accountability, PJ leaderships tend to be personalistic. Secondary party leaders confront coordination problems when they seek to question higher-level authorities. Lacking party-based mechanisms to bring them together in stable and predictable ways, they fall into a "hub and spokes" relationship with officeholding leaders, which leaves them vulnerable to co-optation.⁶¹

A WEAKLY ROUTINIZED PARTY-UNION LINKAGE

The Peronist party-union linkage is also weakly routinized. Notwithstanding the central role played by unions during both Perón's initial rise to power and the post-1955 proscription, the rules and procedures governing union participation in the PJ have always been fluid. Efforts to routinize the linkage, such as those of the Labor Party in 1945 and of Augusto Vandor in the mid-1960s, were derailed by Perón,⁶² and although unions gained de facto hegemony over the party after Perón's death, labor leaders made little effort to establish stable rules for union participation. As a result the PJ-union linkage remained informal, ill defined, and contested through the 1990s. For example, although the 62 Organizations (or "62") functioned as the unions' collective or encompassing representative in the Peronist leadership in the 1960s and 1970s,⁶³ it was never written into the party statutes, and no stable set of rules and procedures ever emerged to define its activities or its position in the party.⁶⁴ The party's traditional mechanism for union participation in the leadership and candidate selection process, known as the *tercio* (or one-third) system, was similarly under-routinized. Though rooted in Peronism's "movementist" tradition of granting political, labor, and women's branches a third of party candidacies and leadership posts, the *tercio* was never formalized in party statutes and never rigorously enforced.

⁶⁰ Author interview with Mayor Juan José Álvarez of Hurlingham, Hurlingham, province of Buenos Aires, July 18, 1997.

⁶¹ On hub-and-spokes dynamics, see David Knoke, *Political Networks: The Structural Perspective* (New York: Cambridge University Press, 1990), 11–12.

⁶² McGuire (fn. 25).

⁶³ For a detailed history of the "62," see McGuire (fn. 25).

⁶⁴ *Ibid.*, 99.

LOW ROUTINIZATION AND PARTY TRANSFORMATION, 1983–95

Low routinization has important costs for the PJ. In the absence of stable decision rules Peronism suffers frequent institutional crises, including contested party congresses, competing claims to authority, and conflicts over rules and procedures. These conflicts often produce schisms, and it is not uncommon for two or more Peronist parties to compete in local or provincial elections. Consequently, party leaders must devote a substantial amount of time and energy to monitoring the activities of others, resolving conflicts, and creating ad hoc rules and procedures. Yet low routinization also provides the PJ with a striking degree of flexibility. The following section shows how the PJ's fluid internal structure permitted party elites to quickly modify the party's structure and strategy in response to the coalitional and programmatic challenges of the 1980s.

COALITIONAL ADAPTATION: THE DEUNIONIZATION OF
URBAN PERONISM

The PJ underwent a striking coalitional change after 1983, transforming itself in less than a decade from a de facto labor party into a patronage-based or machine party. The speed and extent of this deunionization was a product of the weakly routinized nature of the party-union linkage. Because traditional mechanisms of labor participation such as the "62" and the *tercio* were neither formalized nor widely taken for granted, their status was vulnerable to changes in the distribution of power and preferences in the party. Such a change occurred after 1983, as politicians who had previously depended on union resources gained access to the state. Despite losing the presidency in 1983, the PJ won twelve governorships, hundreds of mayoralties, and thousands of city council seats. As Peronists established themselves in public office, they substituted state resources for union resources, building patronage-based networks at the margins of the unions. These networks provided the organizational bases for the Renovation faction, which challenged labor's privileged position in the party in the mid-1980s.

The Renovation challenge weakened the PJ's preexisting mechanisms of union participation. Rather than working within the 62 Organizations, the Renovators circumvented it, adopting the Group of 25 union faction as an alternative labor branch. Thus, in the 1985 and 1987 midterm elections, Renovation-led party branches granted the "25," rather than the "62," the right to nominate unionists for PJ legislative lists. In 1988 pro-Menem unions created another labor branch: the

Menem for President Labor Roundtable. By the end of the decade, then, the “62” had lost its status as the union’s encompassing representative in the party and had instead been converted into one of several Peronist labor factions. By the mid-1990s union leaders described it as an “empty name” that “no one pays attention to.”⁶⁵ No organization replaced the “62” as the collective representative of Peronist labor, and as a result unions were left without even an informal body to represent them in the party leadership. The Renovators also eroded the last vestiges of legitimacy behind the *tercio* system. In the mid-1980s Renovation-led party branches ignored orders from the national party leadership to employ the practice.⁶⁶ The Renovators’ takeover of the national party in 1987 delivered the coup de grâce to the *tercio*: in November, the Renovation-led party congress established a system of direct elections to select leaders and candidates that effectively eliminated the *tercio*.

The Renovation reforms thus left the unions without any mechanism of participation—whether formal or informal—in the PJ. The replacement of the *tercio* with direct elections shifted power away from the unions and into the hands of neighborhood brokers who could deliver votes. PJ politicians organized these brokers into patronage networks, and these networks replaced the unions as the primary linkage between the party and its urban base. By the mid-1990s local patronage networks had consolidated into powerful urban machines. At the same time, in the absence of an encompassing political organization, Peronist labor fragmented. Unions began to negotiate individual alliances with party bosses, which reduced their leverage vis-à-vis the PJ leadership.

These changes resulted in a precipitous decline in labor representation in the PJ. In 1983 union leaders held the acting party presidency and more than a third (37.5 percent) of the seats on the National Council executive board. By 1995 unionists held no executive posts and just an eighth (12.5 percent) of the seats on the executive board. Labor’s presence in the PJ’s legislative bloc fell sharply as well. As Table 1 shows, the number of unionists in the PJ bloc fell from twenty-nine in 1983 to just five in 1997, despite a substantial increase in the overall size of the bloc. Union influence over party strategy also declined. The newspaper *Clarín* described labor as “scarcely a spectator” in the PJ leadership in the early 1990s.⁶⁷ According to one labor leader, “no one lis-

⁶⁵ Author interview with former CGT general secretary Oscar Lescano, Buenos Aires, October 27, 1997.

⁶⁶ *Clarín*, July 11, 1986, 12; October 6, 1986, 10.

⁶⁷ *Clarín*, September 28, 1991, 14.

TABLE 1
THE EROSION OF PERONIST TRADE UNION REPRESENTATION IN THE
CHAMBER OF DEPUTIES
(1983–97)

	1983	1985	1987	1989	1991	1993	1995	1997
Number of unionists	29	28	22	24	18	10	6	5
Total size of PJ bloc	111	101	105	120	120	128	130	119
Percentage unionist	26.1	27.7	21.0	20.0	15.0	7.8	4.6	4.2

tened” to unionists who spoke out against the Menem government’s economic policies during National Council meetings.⁶⁸ By the end of the decade many union leaders had concluded that the PJ was “more closely aligned with big business than with the CGT.”⁶⁹

Deunionization enabled the PJ to reconfigure its electoral coalition in line with the social structural changes generated by deindustrialization. Reformist party leaders took advantage of their autonomy from the unions to broaden the PJ’s electoral appeal, which enabled the party to make significant inroads among independent and middle-class voters in the 1987 and 1989 elections.⁷⁰ At the same time the consolidation of patronage-based territorial organizations helped the PJ maintain support among the urban poor. Peronist patronage networks mushroomed in urban poverty zones in the 1990s, providing access to jobs, government services, and food and medicine to people who had been excluded from both the formal economy and the state.⁷¹ These territorial linkages were more effective than union-based linkages in areas characterized by mass unemployment and extensive informal sectors.

PROGRAMMATIC ADAPTATION: THE RISE OF MENEMISM AND THE NEOLIBERAL TURN

The PJ’s programmatic reorientation is well known. After being elected on a populist platform, the Menem government responded to the 1989 hyperinflationary crisis with a stunning about-face. Eschewing both economic populism and incremental market reforms in favor of an all-or-

⁶⁸ Author interview with pharmacy employees union leader José Azcurra, Buenos Aires, October 20, 1997.

⁶⁹ Author interview with hospital workers union leader Carlos West Ocampo, Buenos Aires, October 13, 1997.

⁷⁰ Edgardo Catterberg and Maria Braun, “Las elecciones presidenciales Argentinas del 14 de mayo de 1989: la ruta a la normalidad,” *Desarrollo Económico* 115 (October–December 1989), 372.

⁷¹ Javier Auyero, *Poor People’s Politics: Peronist Networks and the Legacy of Evita* (Durham, N.C.: Duke University Press, 2000); Levitsky (fn. 53), 51–57.

nothing neoliberal strategy,⁷² the government undertook a set of liberalizing reforms that, according to one comparative survey, were the second most far-reaching in the world in the 1990–95 period.⁷³ Rather than downplaying his programmatic reversals, Menem forcefully embraced them, often making dramatic public gestures to highlight his conversion. Thus, the government, openly aligned with traditional Peronist enemies such as the multinational Bunge y Born and the right-wing Center Democratic Union, issued a decree restricting the right to strike on Peronist Loyalty Day and sent troops to fight alongside the U.S. in the Persian Gulf War. Although these gestures helped to close the government's credibility gap with respect to domestic and foreign investors,⁷⁴ they were difficult for many Peronists to swallow. According to former PJ general secretary José Luis Manzano, "very few" Peronists agreed with the initial reform project.⁷⁵ Indeed, in a 1997 survey of national and local party leaders, less than a quarter expressed full support for Menem's neoliberal strategy.⁷⁶ Nevertheless, Menem faced surprisingly little intraparty resistance. Despite the fact that the PJ was controlled by the center-left Renovation faction in 1989, the party made no serious effort to modify or slow down the Menem program. Indeed, *not once* did the National Council publicly oppose a position taken by President Menem. The relative ease with which the Menem leadership undertook its about-face was rooted in the PJ's organizational structure. Menem's autonomy vis-à-vis the PJ was enhanced, in particular, by the three organizational features: the lack of tenure security in the party hierarchy, the weakness of the party's leadership bodies, and the absence of effective horizontal links to coordinate the actions of secondary leaders.

Bandwagoning and the collapse of the Renovation faction. Menem's initial position vis-à-vis the PJ was strengthened by a process of bandwagoning in 1988 and 1989. In mid-1988 two-thirds of National Council members and 68 of the 103 members of the PJ legislative bloc belonged to the center-left Renovation faction.⁷⁷ Yet top Renovation leaders, in-

⁷² Vicente Palermo, "El Menemismo, Perdurá?" in Aníbal Iturrieta, ed., *El pensamiento político argentino contemporáneo* (Contemporary Argentine political thought) (Buenos Aires: Editor Latinoamericano, 1994), 322. On the Menem reforms, see Pablo Gerchunoff and Juan Carlos Torre, "La política de liberalización económica en la administración de Menem," *Desarrollo Económico* 143 (1996); and Palermo and Novaro (fn. 47).

⁷³ James Gwartney et al., *Economic Freedom of the World, 1975–1995* (Vancouver: Fraser Institute, 1996), 79.

⁷⁴ Gerchunoff and Torre (fn. 72), 736.

⁷⁵ Author interview with José Luis Manzaao, Buenos Aires, December 5, 1997.

⁷⁶ Levitsky (fn. 48), 219–26.

⁷⁷ *Clarín*, July 14, 1988, 2, 15; July 29, 1988, 7.

cluding Vice Presidents José María Vernet and Roberto García, legislative bloc president Manzano, Federal Capital mayor Carlos Grosso, and Córdoba leader José Manuel De la Sota, depended on Menem's backing to retain their posts. Immediately after Menem's nomination, these leaders found their positions threatened by Menem loyalists who called for a wholesale housecleaning of the party hierarchy.⁷⁸ Because there was a clear precedent for removing party authorities before their mandates expired, these calls posed a credible threat.

Menem's victory thus triggered widespread bandwagoning, as scores of Renovators joined the ranks of Menemism. Many were given positions in the government, while others, including majority leader Manzano, future majority leader Jorge Matzkin, and budget committee chair Oscar Lamberto, became the core of the new dominant faction in the legislature. Others, such as Roberto García, maintained their positions in the party leadership. Known as "neo-Menemists," these defectors brought about a critical intraparty realignment that enabled Menem to establish a new dominant coalition. The new coalition enjoyed a majority in the PJ's legislative bloc, which allowed for the relatively smooth passage of the bulk of the government's legislative agenda. Although De la Sota sought to maintain the Renovation as an independent faction, most Renovators refused to join him and the faction soon disappeared.

The weakness of party leadership bodies. Menem's strategic autonomy was further enhanced by the poorly routinized nature of the PJ's leadership bodies. Because party organs lacked substantial independent authority, critics were unable to use them to modify or slow down the neoliberal strategy. Thus, although the party leadership remained in the hands of non-Menemists such as Cafiero (president) and Vernet (vice president), these leaders possessed neither the authority nor the institutional means for holding Menem accountable. The National Council had no role in the development of Menem's initial economic program, and party leaders complained of learning about cabinet appointments through the newspapers.⁷⁹ Indeed, Cafiero opposed Menem's decision to name a director of the multinational Bunge y Born as minister of the economy but was ignored.⁸⁰ During Menem's first year in office, *Clarín* observed that the body's influence over the government was "almost nil."⁸¹ Cafiero himself recognized that the PJ leadership played "no role"

⁷⁸ *Clarín*, July 11, 1988, 2–3; July 14, 1988, 14–15.

⁷⁹ *Clarín*, July 16, 1989, 23; July 17, 1989, 7.

⁸⁰ Author interview with Antonio Cafiero, Buenos Aires, October 3, 1997.

⁸¹ *Clarín*, June 24, 1990, 13.

in policy making: “We met every week and kept minutes and other records. . . . But influence over the government? No. We produced reports and declarations, but these declarations directly contradicted what the government was doing. So we were ignored. . . . [Menem] did not consult anyone. . . . There was no way to make him understand that there was another authority at his side.”⁸²

Cafiero and Vernet resigned in August 1990—a year and a half before their terms expired—and were replaced by Menem and his brother Eduardo. The “Menemization” of the National Council closed the gap between the PJ’s formal authorities and the real balance of power in the party. Although the Menems took leaves of absence from the party presidency, the PJ leadership nevertheless came under the control of the government. Between 1990 and 1993, when the party presidency was held by Roberto García, the National Council was largely run by Minister of the Presidency Eduardo Bauza and Interior Minister José Luis Manzano.⁸³ According to García: “In the first phase of my presidency, I drew up the party communiqués and got them approved by the government before signing them. In the second phase, the government sent me the communiqués and I revised them and signed them. In the third phase, I read about the communiqués in the newspapers.”⁸⁴ After García resigned in 1993, all of the members of the top leadership were either national government officials or governors, and party decisions were increasingly “made in the presidential palace.”⁸⁵

The post-1990 party leadership thus functioned more as a government mouthpiece than as a channel for party demands. Despite the fact that the 1991 Convertibility Plan generated sharp internal criticism,⁸⁶ the party congress expressed its “unrestricted support” for the plan.⁸⁷ The National Council also repeatedly sided with the government in its conflicts with the Peronist labor movement, publicly opposing CGT-led general strikes. During Menem’s second term, the government and the party leadership were virtually indistinguishable. In December 1995, for example, the National Council was prepared to rubber stamp Menem’s entire postelection legislative agenda.⁸⁸

⁸² Author interview with Cafiero (fn. 80).

⁸³ Author interview with Manzano (fn. 75).

⁸⁴ Author interview with Roberto García, Buenos Aires, June 23, 1997.

⁸⁵ Author interview with Senator José Luis Gioja, Buenos Aires, September 18, 1997.

⁸⁶ *Clarín*, February 14, 1991, 4.

⁸⁷ *La Voz del Interior*, September 21, 1991, 4a.

⁸⁸ *Clarín*, December 3, 1995, 22.

The failure of internal challenges. Menem's strategic autonomy was further enhanced by the collective action problems confronted by internal critics. Had they been able to unite, secondary party leaders might have forced Menem to moderate his reform strategy, for their collective opposition would have inflicted heavy political costs on the president. However, without tenure security, stable accountability rules, or a central bureaucracy to link them horizontally, these secondary leaders fell into a hub-and-spokes relationship with Menem. Because he could inflict much more damage on individual leaders than they, by themselves, could inflict on him, critics repeatedly backed down, choosing the safer strategy of nonconfrontation. As one local PJ leader put it: "Everyone will tell you, 'I surrendered because the others surrendered. What do you want me to do, go it alone?' . . . People were frightened of losing what they had. So they negotiated individually."⁸⁹

Efforts to build anti-Menemist coalitions in the 1990s were repeatedly undermined by defections. During Menem's first year in office, for example, the neoliberal program was challenged by several factions, including the left-of-center Group of Eight, the orthodox Peronist Militancy, and the Federal Parliamentary Group. Although these factions at times constituted a majority in the National Council and the legislative bloc in the early 1990s,⁹⁰ they repeatedly failed to coalesce into a single coalition. By the end of the year the internal opposition had collapsed and the Group of Eight and other critics found themselves marginalized. According to one Group of Eight leader: "In private, 90 percent of [PJ leaders] criticized Menem from top to bottom. . . . But in public, they didn't say a thing. They were all co-opted."⁹¹

A second case of failed internal coalition building was that of Mendoza senator José Octavio Bordón, a Menem critic who sought the PJ's 1995 presidential nomination. In mid-1993 Bordón's candidacy appeared to have the support of Cafiero, De la Sota, Buenos Aires governor Eduardo Duhalde, and several other key Peronists.⁹² According to one former party leader, such a coalition would have "changed the balance of power in Peronism, forcing Menem to confront a real opposition."⁹³ However, the Bordonista project soon collapsed. After the November 1993 Olivos Pact ensured passage of the constitutional reform permitting Menem's reelection, few PJ leaders were willing to oppose the president. Thus, Duhalde realigned with Menem, and Cafiero,

⁸⁹ Author interview with Gustavo Morato, Buenos Aires, June 13, 1997.

⁹⁰ *Clarín*, March 1, 1990, 10; March 9, 1990, 2; June 3, 1990, 6.

⁹¹ Author interview with Carlos "Chacho" Alvarez, Buenos Aires, July 29, 1997.

⁹² *Página 12*, March 23, 1993, 12; *Clarín*, May 9, 1993, 16, May 11, 1993, 11; May 13, 1993, 6.

⁹³ Author interview with former party leader Carlos Grosso, Buenos Aires, November 28, 1997.

De la Sota, and other ex-Renovators abandoned Bordón. This pattern was repeated during Menem's second term, as non-Menemist factions such as the provincial Great North and the center-left Peronist Current failed to catch on. Even Duhalde, who would become the PJ's 1999 presidential candidate, failed in his efforts to build an internal coalition of provincial party bosses.

The PJ's programmatic adaptation was accompanied by substantial electoral success in the 1990s. The party won four straight national elections after its neoliberal turn, including Menem's 1995 reelection. This electoral success had two sources. The first was the government's success in stabilizing the economy, which helped the PJ win an important share of the independent and conservative vote.⁹⁴ The second reason for the PJ's electoral success was its entrenched mass base. Support for the PJ among the poor remained remarkably stable in the 1990s, despite the fact that many of these voters were highly critical of the government's neoliberal policies.⁹⁵ This electoral stability was greatest in districts in which the PJ organization was strongest.⁹⁶ Hence, both the PJ's flexibility and its societal rootedness contributed to its electoral success in the 1990s. On the one hand, had the PJ failed to resolve the hyperinflationary crisis, it might have suffered an electoral collapse. On the other hand, were it not for its mass organization and subculture, the PJ's hold on its traditional working- and lower-class base would have been much more tenuous.

COMPARATIVE EVIDENCE FROM LATIN AMERICA

The relationship between loosely structured party organizations and adaptive capacity may be further illustrated through a comparison with other Latin American labor-based parties. Perhaps the clearest contrast to the PJ case is that of Venezuela's AD, which is a well-routinized labor-based party that largely failed to adapt to the neoliberal challenge. AD was more of a mass bureaucratic party than a mass populist party. Its leadership hierarchy was relatively bureaucratic,⁹⁷ party organs such as

⁹⁴ Carlos Gervasoni, "La sustentabilidad electoral de los programas de estabilización y reforma estructural: Los casos de Argentina y Perú (Paper presented at the twentieth international congress of the Latin American Studies Association, Guadalajara, Mexico, April 17–19, 1997).

⁹⁵ Ostiguy (fn. 54), 464–79.

⁹⁶ Levitsky (fn. 48), 272–79.

⁹⁷ John Martz, "Party Elites and Leadership in Colombia and Venezuela," *Journal of Latin American Studies* 24, no. 1 (1992), 120; Javier Corrales, "El presidente y su gente: Cooperación y conflicto entre los ámbitos técnicos y políticos en Venezuela, 1989–1993," *Nueva Sociedad* 152 (November–December 1997), 98–99.

the National Executive Committee (CEN) possessed substantial independent authority,⁹⁸ and the party-union linkage was routinized via the Labor Bureau.⁹⁹ AD adapted slowly and ineffectively to the neoliberal challenge. Little leadership renovation took place in the 1980s, as old guard leaders used their “iron control over internal promotions” to “block the entrance of new blood into the party leadership.”¹⁰⁰ Moreover, the party-labor linkage remained intact, and union influence actually *increased* in the late 1980s.¹⁰¹ In the programmatic realm, when President Carlos Andrés Pérez embarked on a neoliberal program in 1989, the old guard used its control of the CEN to stall the program in the legislature. When the anti-Pérez Orthodox faction gained control of the party leadership in 1991, AD “began to behave like the principal opposition party,” openly attacking government policies and ultimately forcing Pérez to abandon the bulk of his program.¹⁰² In the wake of the debacle, AD entered into a period of profound crisis. After winning 53 percent of the presidential vote in 1988, it won only 23 percent in 1993 and did not even field a presidential candidate in 1998.

The Mexican PRI is a case of moderate adaptive success. The PRI differs from other parties considered here in that it was forced to adapt to a context of political liberalization and increasingly competitive elections in the 1980s and 1990s. Nevertheless, as a governing labor-based party, it faced comparable programmatic and coalitional challenges.¹⁰³ Though less personalistic than other mass populist parties, the PRI exhibited other important populist features, including a strong element of working-class and peasant mobilization from above. Notwithstanding its name, the PRI was never highly routinized. It was reorganized several times during its formative phase, and although key aspects of the party structure—such as the corporatist sector system that linked the party to organized labor—became routinized, it retained an informal and rela-

⁹⁸ Michael Coppedge, *Strong Parties and Lame Duck: Presidential Partyarchy and Factionalism in Venezuela* (Stanford, Calif.: Stanford University Press, 1994), 20–21, 66–67.

⁹⁹ John Martz, *Acción Democrática: Evolution of a Modern Political Party in Venezuela* (Princeton: Princeton University Press), 157–67; Michael Coppedge, “La política interna de acción democrática durante la crisis económica,” *Cuadernos de CENDES* 7 (1988), 169–70.

¹⁰⁰ Corrales (fn. 97), 98.

¹⁰¹ Steve Ellner, “Organized Labor’s Political Influence and Party Ties in Venezuela: Acción Democrática and Its Labor Leadership,” *Journal of Interamerican Studies and World Affairs* 13, no. 4 (1989), 98–104.

¹⁰² Corrales (fn. 49), 237, 251–58.

¹⁰³ Ruth Berins Collier, *The Contradictory Alliance: State-Labor Relations and Regime Change in Mexico* (Berkeley, Calif.: International and Area Studies, 1992); Katrina Burgess, “Reinventing Class Populist Parties: Party Crisis and Change in Mexico, Bolivia, Venezuela, and Peru” (Paper presented at the twenty-second International Congress of the Latin American Studies Association, Miami, Florida, March 16–18, 2000).

tively fluid structure. Ambiguities in the party statutes provided leaders with substantial discretionary power, which gave PRI presidents substantial decision-making autonomy.¹⁰⁴ The party also retained a fluid leadership hierarchy that permitted substantial leadership turnover. In the absence of a bureaucratic structure, presidential successions were accompanied by thorough housecleaning of the party leadership.

The PRI adapted to the neoliberal challenge with considerable success. Beginning in the mid-1980s, the party abandoned its statist project and oversaw a substantial liberalization of the Mexican economy.¹⁰⁵ Despite resistance by organized labor and old guard party leaders, Presidents Miguel De la Madrid (1982–88) and Carlos Salinas (1988–94) brought a large number of reform-minded technocrats into the PRI and the government and, taking advantage of the PRI's centralized leadership, carried out a set of far-reaching economic reforms. The PRI was less successful in the coalitional realm. Efforts to replace the traditional sector system with a territorial structure were fiercely resisted by union leaders,¹⁰⁶ and as a result, attempts to broaden the PRI base to incorporate the middle and urban informal sectors were only partially successful.¹⁰⁷ After 1982 the PRI went into gradual electoral decline, which culminated in its defeat in the 2000 presidential elections. Nevertheless, the PRI's capacity to win elections throughout the 1990s, particularly given the economic crisis and the increased competitiveness of elections, suggests that it adapted with at least partial success.

The cases of the Chilean communist (PCCh) and socialist (PSCh) parties offer further evidence of an inverse relationship between routinization and adaptive capacity. In the 1980s, economic liberalization, the weakening of the labor movement, and the demise of authoritarian rule dramatically reshaped the environment facing the Chilean left. The PCCh and PSCh responded in strikingly different ways to these changes, and research by Kenneth Roberts suggests that these diverging strategies are partly attributable to differences in party structure. The PCCh is a "highly structured and institutionalized" party with "a

¹⁰⁴ Joy Langston, "Why Rules Matter: The Formal Rules of Candidate Selection and Leadership Selection in the PRI, 1978–1996," CIDE Documento de Trabajo no. 58 (Mexico City: Centro de Investigación y Docencia Económica), 7–9.

¹⁰⁵ Collier (fn. 103).

¹⁰⁶ Rogelio Hernández Rodríguez, "La reforma interna y los conflictos en el PRI," *Foro Internacional* (October–December, 1991), 222–49; Katrina Burgess, "Alliances under Stress: Economic Reform and Party-Union Relations in Mexico, Spain, and Venezuela" (Ph.D. diss., Princeton University, 1998), 151–53.

¹⁰⁷ Ruth Berins Collier, "The Transformation of Labor-Based One-Partyism at the End of the Twentieth Century: The Case of Mexico," in Hermann Giliomee and Charles Simkins, eds., *The Awkward Embrace: One-Party Domination and Democracy* (Capetown: Tafelberg, 1999), 234.

well-developed bureaucracy.”¹⁰⁸ This rigid structure limited the party’s innovative capacity in the 1980s, for it “screened out innovative or ‘heretical’ ideas that emanated from external sources while suppressing the emergence of such ideas from within the party itself.”¹⁰⁹ Thus, the party maintained its Marxist program and made little effort to broaden its appeal—and ended up politically marginalized and in electoral decline as a result.¹¹⁰ By contrast, the psch had a “loosely structured party organization” and “lax disciplinary norms,”¹¹¹ which made it a “very open, dynamic, and flexible party.”¹¹² Unlike the pcch, the psch underwent a far-reaching renovation of its leadership, its alliances, and its program in the 1980s. It abandoned Marxism for social democracy, loosened its union ties, and adopted a catch-all appeal.¹¹³ The psch and its sister party, the Party for Democracy, enjoyed relative electoral success in the 1990s, more than doubling the average socialist party vote during the period 1957–73.

Finally, Peru’s APRA is a case of a mass populist party that pursued an inappropriate strategy. Although APRA was created in opposition and developed a relatively structured organization, it nevertheless exhibited clear populist features, particularly a centralized and personalistic leadership, which provided founder Victor Raúl Haya de la Torre with substantial strategic flexibility.¹¹⁴ These authority patterns persisted after Haya’s death and were inherited by his successor, Alan García, in the early 1980s. Facing intense competition for working-class votes from the United Left, García used his control over APRA to shift the party leftward.¹¹⁵ García’s populist campaign helped APRA capture the presidency in 1985. Although President García enjoyed a substantial degree of decision-making autonomy, autonomous leadership in the Peruvian case resulted in an ill-advised party strategy. Unlike Carlos Menem, García adopted a populist response to the economic crisis, launching a Keynesian reactivation program and announcing that debt payments

¹⁰⁸ Roberts (fn. 12), 47.

¹⁰⁹ Kenneth Roberts, “Renovation in the Revolution? Dictatorship, Democracy, and Political Change in the Chilean Left,” Kellogg Institute Working Paper no. 203 (Notre Dame, Ind.: Kellogg Institute, 1994), 27.

¹¹⁰ Mary Alice McMarthy, “Center-Left Parties in Chile: Party-Labor Relations under a Minimalist State” (Paper presented at the annual meeting of the Midwest Political Science Association, Chicago, April 10–12, 1997); Roberts (fn. 12), 134–35, 159.

¹¹¹ Roberts (fn. 12), 48.

¹¹² Roberts (fn. 109), 22.

¹¹³ McMarthy (fn. 110).

¹¹⁴ Carol Graham, “Peru’s APRA Party in Power: Impossible Revolution, Relinquished Reform,” *Journal of Interamerican Studies and World Affairs* 32, no. 3 (1990), 80–81.

¹¹⁵ Cynthia Sanborn, “El Apra en un contexto de cambio, 1968–88,” in Heraclio Bonilla and Paul W. Drake, eds., *El APRA de la ideología a la praxis* (Lima: Centro Latinoamericano de Historia Económica y Social, 1989), 110–13.

TABLE 2
ELECTORAL PERFORMANCE OF FIVE MAJOR LATIN AMERICAN POPULIST
OR LABOR-BASED PARTIES IN THE 1980S AND 1990S
(LEGISLATIVE ELECTIONS)

<i>Labor-Based/Populist Party</i>	<i>1980s^a</i>	<i>1990s</i>	<i>Absolute Change</i>	<i>Relative Change</i>
Justicialista Party (PJ)	40.7	39.2	-1.5	-3.7
Chilean Socialist Party (psch)	13.0	12.2	-0.8	-6.2
Institutional Revolutionary Party (PRI)	61.1	49.5	-11.6	-19.0
Democratic Action (AD)	46.7	22.7	-24.0	-51.4
Chilean Communist Party (pcch)	14.0	6.0	-8.0	-57.1
American Popular Revolutionary Alliance (APRA)	38.3	14.6	-23.7	-61.9

^aBecause Chile was not a democracy in the 1980s, electoral data for the psch and pcch are taken from legislative elections from during the 1960-73 period.

would be limited to 10 percent of export earnings. Without consulting the APRA leadership, he nationalized the banking system in 1987.¹¹⁶ The strategy provoked the hostility of the private sector and international lending agencies and generated a deep economic crisis.¹¹⁷ Yet García ignored widespread calls for orthodox stabilization policies, and the economy eventually descended into hyperinflation. APRA fell into a profound crisis as a result, declining from 53 percent of the presidential vote in 1985 to just 4 percent in 1995.

The responses of labor-based parties to the neoliberal challenge had a clear impact on their electoral performance. Table 2 shows the electoral performance of the PJ and the other five parties discussed in this section, comparing their average electoral performance in the 1980s and 1990s. The PJ and PS, both of which underwent far-reaching adaptations, maintained relatively stable electoral bases in the 1990s. The PRI, which underwent a partial adaptation, suffered a moderate electoral decline, while AD, the pcch, and APRA, which adapted slowly or (in the case of APRA), inappropriately, suffered steep electoral declines.

Comparative evidence from Latin America thus provides some initial support for the hypothesis that loosely structured labor-based parties are better equipped to adapt to environmental shocks than are routinized or bureaucratic working-class parties. Although changes in the macroeconomic environment provided a powerful incentive for

¹¹⁶ Ibid., 118.

¹¹⁷ Manuel Pastor and Carol Wise, "Peruvian Economic Policy in the 1980s: From Orthodoxy to Heterodoxy and Back," *Latin American Research Review* 27, no. 2 (1992).

labor-based parties to adapt, the wide variation in responses to these changes suggests that an environment-centered approach is insufficient to explain party adaptation. And while the choices and strategies of party leaders such as García, Menem, Pérez, and Salinas were undoubtedly critical to the success or failure of their parties, the cases also make clear that the parties varied considerably in the degree to which they permitted leadership renovation and autonomous decision making. Whereas the loosely structured hierarchies of the PRI and PJ facilitated leadership renovation and imposed few constraints on officeholding leaders, entrenched old guard leaders in the more bureaucratic AD and the PCCh limited the capacity of reformers to carry out adaptive strategies. As the case of APRA makes clear, however, strategic flexibility is no guarantee that leaders will choose appropriate strategies. Indeed, autonomous leaders may choose strategies that are highly destructive of their parties.

CONCLUSION

This article has sought to explain the capacity of labor-based parties to adapt to the opportunities and constraints posed by changing electoral and economic environments. It argued that mass populist parties possess a combination of features that give them a distinctive advantage in terms of adaptive capacity. On the one hand, strong roots in society provide them with an important degree of electoral stability. On the other hand, populist legacies such as loosely structured organizations, nonbureaucratic hierarchies, and relatively autonomous leaderships provide them with a degree of flexibility not found in most working-class parties. The article applied this argument to the case of Peronism, showing how the PJ's weakly routinized structure facilitated its coalitional and programmatic adaptation. The argument was further supported with evidence from four other Latin American cases.

These findings suggest several implications for future research. First, recent work on the politics of economic liberalization, challenging earlier studies that identified executive autonomy as critical to successful reform, have argued that strong parties may facilitate implementation of reforms.¹¹⁸ This article suggests that a party's contribution to economic reform may depend on the *type* of party attempting the reform. Specifically, mass populist parties, which combine popular sector linkages with fluid hierarchies and autonomous leaderships, may be partic-

¹¹⁸ Corrales (fn. 49); Stephen Haggard and Robert K. Kaufman, *The Political Economy of Democratic Transitions* (Princeton: Princeton University Press, 1995), 166–74.

ularly well suited to carry out liberalizing reforms. By contrast, bureaucratic labor-based parties such as AD may be less well equipped to undertake reform.

The results of this article also point to the need for more systematic research on informal and noninstitutionalized party organizations. The dominant literature on party organization and change often takes institutionalization for granted. Yet as this article has shown, variation on this dimension may have important implications for party behavior. The findings also raise questions about some widely held assumptions in the literature about party institutionalization. Much of the literature on parties associates higher levels of institutionalization with positively evaluated outcomes such as stability and effective representation.¹¹⁹ Yet institutionalization may also limit the choices available to actors and slow down or even prevent efforts to undertake organizational change. In a context of crisis such stability may prove costly. By contrast, loosely structured organizations, though often a source of internal disorder, may help parties adapt and survive during difficult times.

¹¹⁹ Huntington (fn. 22); Scott Mainwaring and Timothy R. Scully, "Introduction," in Mainwaring and Scully, eds., *Building Democratic Institutions* (Stanford, Calif.: Stanford University Press, 1995); Mainwaring (fn. 15).