

FOREIGN AFFAIRS

Peru's Fraying Democracy

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Protests against Peru's presidential candidates in Lima, Peru, April 2021
Sebastian Castaneda / Reuters

Crisis as produced only bad political options.

When a virtually unknown university rector named Alberto Fujimori entered Peru's 1990 presidential race, few observers thought he had any chance of winning. Yet in one of the most stunning political upsets in Latin American history, Fujimori came from nowhere to defeat the world-renowned writer Mario Vargas Llosa, a future Nobel laureate, in a second-round vote.

Three decades later, Fujimori's daughter Keiko, a former lawmaker in her third run for the country's highest office, is facing off in a June 6 runoff election against Pedro Castillo, a rural

teacher and union leader from the northern region of Cajamarca. Today, Keiko Fujimori is the insider, and Castillo is even more of an outsider than Alberto Fujimori was in 1990. (Polls show that Fujimori has been gaining ground in the campaign's final stretch, although Castillo retains a razor-thin lead.) Yet as in 1990, this election is taking place at a moment of extreme precariousness for Peruvian democracy.

Back then, Peru was racked by hyperinflation, economic mismanagement, and the Shining Path insurgency. Today, it is suffering the economic and social effects of the pandemic—with more than 213 deaths per 100,000 people, Peru has the world's highest per capita death rate—which aggravated an already severe political and institutional crisis. In November, amid massive street protests, the country had three presidents within one week. With heightened uncertainty and intense polarization, Peru once again provides fertile ground for candidates who reject the prevailing order and promise far-reaching change—and who also exhibit authoritarian tendencies and little capacity to bring Peruvians together on a more constructive course. Sadly, the country's profound crises have left voters with a choice that, no matter how it turns out, promises further erosion in citizens' confidence in democratic institutions and little hope of democratic renewal.

LESSER OF TWO EVILS?

Today, Castillo, of the far-left Free Peru Party, is the change candidate, which helps explain why he came out on top in April's first round (although with only 19 percent of the vote). His indictment of the Lima-based economic and political elites for their corrupt rule and chronic failure to invest in key social sectors has considerable resonance, particularly in rural Peru, which is reeling from the health and economic crises. He supports a sharp expansion of the government in order to redress long-standing inequities, and his party's platform invokes Marxist-Leninism and advocates state takeover of the country's mining and energy companies. It also calls for a constitutional assembly, a proposal that evokes authoritarian projects in other Latin American countries, such as Bolivia, Ecuador, and Venezuela. In recent weeks, Castillo has softened his stance on private property and nationalizations and has pushed back on allegations of ties to communism or to remnants of the Shining Path.

Hammering these allegations and sowing fears of Castillo's radicalism has been the chief campaign tactic of Fujimori, the leader of the right-wing Popular Force party. For his part, Castillo has repeatedly warned of the return of "Fujimorismo," reminding Peruvians of the corrupt, authoritarian rule of Alberto Fujimori (reflected more recently in an obstructionist party that has been a major driver of the nation's political chaos). Fujimori has said that she would pardon her jailed father, who was convicted of corruption and human rights violations in 2009 and sentenced to 25 years in prison, and she herself currently faces judicial processes on credible corruption charges, including a connection to the notorious Odebrecht bribery scandal that originated in Brazil and spread across Latin America.

Most Peruvians reject both candidates, who are seen as weak, extreme, and confrontational. Over 40 percent of voters have said that they would never support either candidate; in the first round, just 20 percent of the electorate voted for either Castillo or Fujimori. Voting for the "lesser of two evils" (in Spanish, *el mal menor*) is intrinsic to democratic politics, but it has long seemed

particularly applicable to Peru, where trust in political institutions and leaders is low even by Latin American standards.

Still, voters will have to choose. Some of Fujimori's support derives from her father's reputation of successfully subduing the Shining Path, fighting inflation, pursuing needed reforms, and putting Peru on a path of sustained economic progress. Even Vargas Llosa, a fierce critic of both Alberto and Keiko Fujimori, threw his support to Keiko immediately after the first-round vote as the lesser evil, convinced that a Castillo presidency would bring economic ruin. With Fujimori in power, Vargas Llosa has argued, "there are more possibilities of saving our democracy." For Vargas Llosa and other Peruvians, Castillo's promise of a constitutional assembly portends the calamitous rule associated with Venezuela's Hugo Chávez.

Middle-class Peruvians who now see Fujimori as the only choice note that she is experienced and well organized and has technically competent teams working on a wide range of policy issues. In contrast, Castillo arouses as much concern for being inexperienced and unprepared as he does for being a leftist, with policy proposals that lack specificity and few concrete proposals beyond broad appeals for better treatment of the least advantaged. Yet Peruvians drawn to Castillo's commitment to redressing the country's wrongs maintain that his policy ideas simply need to be fleshed out—which will happen, they suggest, as he incorporates policy experts and begins to engage with other constituencies, including the business community. As for the charges that Castillo would undermine democracy, his supporters counter that Fujimori's authoritarian instincts are even more pronounced, as she and the party she leads continue to defend her father's corrupt and authoritarian rule.

THE PARADOX OF PERU

While Peru has long been known for its institutional deficits and dismal politics, it has also been one of Latin America's best economic performers in recent years. Despite the absence of strong political parties and an astonishing string of corrupt presidents—every elected Peruvian president since 1985 has faced credible allegations of corruption—Peru has managed to register sustained economic growth since the mid-1990s and, before the pandemic hit, consistent reductions in poverty and inequality. One key question that will confront Castillo or Fujimori is whether, in the post-pandemic period, Peru will be able to resume its positive record of growth and poverty reduction even with political volatility and institutional fragility.

Yet no matter who wins the election, there are ample and justified concerns for Peru's democratic future. To be sure, every candidate is imperfect, but Castillo and Fujimori seem to be particularly ominous choices for a country in the midst of grave instability and in need of effective and credible leadership with broad legitimacy. It does not augur well that each candidate enjoys support from a relatively narrow slice of the Peruvian electorate. And given that either will face a fragmented and unruly Congress, governance is likely to be exceedingly difficult. Whoever wins the election will struggle to forge a coalition to enact legislation to address pressing national priorities.

Faced with such bleak prospects, a network of Peruvian civic organizations has responded admirably, persuading both candidates to pledge to comply with basic democratic norms.

Regardless of the outcome, sustained pressure and vigilance will be essential to maintain some parameters of civility and preserve social peace. Yet civil society will have to navigate a delicate tension. There is a risk that attempts to constrain either Castillo or Fujimori will only fuel authoritarian tendencies.

If Fujimori wins, she will need to accept a central lesson of the pandemic that has devastated Peru: the status quo is not sustainable. She must work to reform Peru's economic model and bridge the chasm between Lima and the rest of the country. If she tries Fujimori 2.0—orthodox economic policies, antidemocratic methods, deals with murky private interests, little effort to redress social injustice—she is doomed to fail, and another Castillo, next time more radical, will be the inevitable result.

And should Castillo become president, he will need to understand that channeling popular frustrations in order to undermine institutions, push widespread nationalization, and imperil democracy will ultimately impede his efforts to improve the lives of the poor. Castillo does not have to look to Venezuela or elsewhere in Latin America to see the risks: in Peru, nationalization and irresponsible economic management in the late 1980s created the precarious conditions that paved the way for the 1990 election of Alberto Fujimori.

Neither choice offers much reason to be optimistic about the prospects for overcoming dysfunction or renewing Peruvian democracy. The question is whether either will end up destroying it.