FROM LABOR POLITICS TO
MACHINE POLITICS:
The Transformation of Party-Union Linkages in
Argentine Peronism, 1983–1999*

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Abstract: The Argentine (Peronist) Justicialista Party (PJ)** underwent a far-reaching coalitional transformation during the 1980s and 1990s. Party reformers dismantled Peronism’s traditional mechanisms of labor participation, and clientelist networks replaced unions as the primary linkage to the working and lower classes. By the early 1990s, the PJ had transformed from a labor-dominated party into a machine party in which unions were relatively marginal actors. This process of de-unionization was critical to the PJ’s electoral and policy success during the presidency of Carlos Menem (1989–99). The erosion of union influence facilitated efforts to attract middle-class votes and eliminated a key source of internal opposition to the government’s economic reforms. At the same time, the consolidation of clientelist networks helped the PJ maintain its traditional working- and lower-class base in a context of economic crisis and neoliberal reform. This article argues that Peronism’s radical de-unionization was facilitated by the weakly institutionalized nature of its traditional party-union linkage. Although unions dominated the PJ in the early 1980s, the rules of the game governing their participation were always informal, fluid, and contested, leaving them vulnerable to internal changes in the distribution of power. Such a change occurred during the 1980s, when office-holding politicians used patronage resources to challenge labor’s privileged position in the party. When these politicians gained control of the party in 1987, Peronism’s weakly institutionalized mechanisms of union participation collapsed, paving the way for the consolidation of machine politics—and a steep decline in union influence—during the 1990s.

Labor-based political parties faced a dual challenge in the 1980s and 1990s. The first challenge was programmatic: fiscal crisis, increased capital mobility, and the resurgence of free market ideologies shifted national policy parameters and raised the costs of traditional pro-labor

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**See Appendix 1 for a list of acronyms used in the text.
policies. The second challenge was coalitional: the decline of mass production and expansion of the tertiary and informal sectors weakened labor movements, limiting their capacity to deliver the votes, resources, and social peace that had been the foundation of the traditional party-union exchange. To remain viable in this new context, labor-based parties were forced to rethink their programs and target new electoral constituencies, which in most cases required a reconfiguration of established party-union alliances (Koelble 1992; Kitschelt 1994; Burgess 1999; Piazza 2001). Although efforts to reduce union influence often generated intense internal conflict, parties that failed to adapt faced the prospect of electoral and policy failure.

Few Latin American labor-based parties adapted to the challenge of working-class decline as successfully as the Argentine (Peronist) Justicialista Party (PJ). Beginning in 1983, Peronism underwent a far-reaching process of de-unionization. Reformers dismantled Peronism’s traditional mechanisms of labor participation, and clientelist networks gradually replaced the party’s union-based linkages to the working and lower classes. By the early 1990s, the PJ had transformed from a labor-dominated party into a machine party in which unions were relatively marginal actors. These changes were critical to the PJ’s electoral and policy successes during the 1990s. The erosion of union influence enhanced party leaders’ strategic autonomy, which facilitated efforts to attract independent and middle-class votes. It also eliminated a potential source of intra-party opposition to the market-oriented reforms undertaken by the government of Carlos Menem. At the same time, the consolidation of clientelist networks helped the PJ maintain its traditional working- and lower-class base in a context of economic crisis and radical reform. Thus, whereas many Latin American labor-based parties experienced sharp electoral decline during the 1990s, the PJ remained Argentina’s largest party throughout the decade.

This article seeks to explain the radical transformation of the Peronist party-union linkage. In many ways, the PJ was an unlikely case of labor-based party adaptation. In the mid-1980s, Peronism was dominated by industrial unions from the General Labor Confederation (CGT). Unions

1. The Mexican PRI saw its electoral base erode by nearly a third during the 1990s, and the Peruvian Aprista Party, Venezuelan Democratic Action, and Chilean Communist Party saw their electoral support decline by more than 50 percent.

2. The article draws on research carried out in Argentina in 1996 and 1997. The research included interviews with the leaders of thirty-nine national unions and thirty-six local unions, four general secretaries of the General Labor Confederation (CGT), and the general secretaries of the dissident Argentine Workers Movement (MTA) and Argentine Workers Congress (CTA). It also included surveys of 611 party activists and 112 local party branches in three urban districts: the Federal Capital and the Greater Buenos Aires districts of La Matanza and Quilmes. Although these districts are not representative of Argentina as a whole, the similarity of the patterns found there was confirmed
were the party’s primary source of finance and mobilizational muscle, and old guard union bosses played a hegemonic role in the party leadership. Such union dominance is generally thought to inhibit labor-based party adaptation (Koelble 1992; Kitschelt 1994, 225). Nevertheless, the PJ de-unionized more rapidly, and more thoroughly, than other established labor-based parties in Latin America, including Democratic Action (AD) in Venezuela and the Institutional Revolutionary Party (PRI) in Mexico.

To explain this puzzle, the article focuses on a dimension of party organization that has been largely ignored in the literature on labor-based party change: the institutionalization of internal rules and procedures. Although the routinization of a party’s internal structure is critical to its routine operation, it tends to inhibit radical change (Levitsky 2001b). By contrast, weakly institutionalized organizations are often more flexible in the face of environmental change. The article argues that the PJ’s radical transformation was made possible by the weakly institutionalized character of its party-union linkage. Although unions had long been powerful actors within Peronism, the rules of the game governing their participation in the party were ill-defined, contested, and fluid. This left the party-labor linkage vulnerable to changes in Peronism’s internal distribution of power and preferences—a change that occurred in the wake of the 1983 democratic transition. As they gained access to public office, PJ politicians substituted state resources for union resources, which enhanced their capacity to challenge labor’s privileged position in the party. When reformers gained control of the PJ in 1987, Peronism’s weakly institutionalized mechanisms of union participation collapsed, paving the way for the consolidation of machine politics—and a steep decline in union influence—during the 1990s.

The article makes four theoretical contributions. First, it highlights the importance of informal and noninstitutionalized party structures. The dominant literature on party organization and change, which is based largely on studies of the advanced industrialized countries, pays relatively little attention to these phenomena. Yet recent research suggests that informal and weakly institutionalized party structures are

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through interviews with party leaders and activists from other Buenos Aires municipalities and other provinces. Nevertheless, it is important to note that the changes examined here are primarily relevant to urban Peronism. Peronism has historically been based on a dual electoral coalition of industrial workers (organized by unions) in urban areas and lower and middle classes (organized into patron-client networks) in non-industrial provinces (Mora y Araujo and Llorente 1980; Gibson 1997). Although the electoral and political weight of peripheral Peronism increased during the 1980s and 1990s (Gibson 1997; Gibson and Calvo 2000), the importance of the party’s urban base should not be understated. The industrialized districts of Buenos Aires, Córdoba, the Federal Capital, Mendoza, and Santa Fe accounted for two thirds of the PJ vote in the late 1990s.

3. Panebianco (1988) is an exception.
widespread in Latin America, and that variation along these dimensions has important implications for party behavior. Second, the article highlights the role of clientelism as an alternative form of linkage to working- and lower-class constituencies. In Western Europe, where post-industrial electorates tend to be well educated and white collar, labor-based party adaptation has been associated with media-based strategies and issue-based, post-materialist appeals (Inglehart 1977; Dalton, Flanagan, and Beck 1984; Kitschelt 1994). In Latin America, post-industrialism has been characterized by the growth of the urban informal poor, an electorate in which post-materialist appeals are less likely to succeed. Clientelist linkages may be more effective among these sectors, particularly in a context of economic crisis and state retrenchment. The article thus raises questions about claims of incompatibility between clientelism and market-oriented reform. The Peronist case suggests that clientelist linkages are not only compatible with neoliberal reforms, but may also be critical to their political success.

Third, the article offers new insights into the politics of economic reform in Argentina. Whereas the Menem government’s neoliberal turn has been widely examined, less attention has been paid to the coalitional changes that accompanied—and facilitated—it. Although de-unionization is often treated as a product of labor-based parties’ embrace of market-oriented policies (Taylor 1993; Piazza 2001), Peronism’s coalitional transformation occurred prior to Menem’s 1989 election and thus cannot be explained by the PJ’s neoliberal turn. It did, however, facilitate that turn. Building on recent studies that point to the PJ’s coalitional changes as having been critical to the political success of the Menem reforms (Gibson 1997; Gibson and Calvo 2000), the article offers an explanation for how and why this transformation took place. Finally, the article offers new data on the political behavior of Peronist unions. It finds that, notwithstanding the erosion of labor’s influence in the PJ, unions continued to invest in the party in the 1990s. This finding is particularly surprising—and important—given Argentine unions’ proclivity to avoid party activity (McGuire 1997).

The first section of the article introduces the coalitional challenges facing contemporary Latin American labor-based parties, and the second section develops a framework for explaining labor-based party adaptation. The third section applies this framework to the Peronist case and shows how the PJ’s weakly institutionalized party-union linkage,
combined with increased access to patronage resources, facilitated its radical de-unionization after 1983. It then shows how these coalitional changes contributed both to the PJ’s electoral and policy successes during the 1990s. Finally, the conclusion discusses the implications of the Peronist transformation in light of Argentina’s post-2001 political crisis.

THE CRISIS AND TRANSFORMATION OF PARTY-UNION LINKAGES IN LATIN AMERICA

Labor-based parties are parties whose core constituency is organized labor. Such parties depend on labor support—in the form of organizational resources, vote delivery, and social peace—for their success, and in exchange, unions generally gain influence over the party program and the leadership and candidate selection process. Party-union linkages are the ensemble of rules, procedures, and organizations that facilitate the mutual exchange of support and influence between parties and unions. This article focuses on one aspect of that linkage—mechanisms of union participation in the party—by employing a simple indicator of union participation, the number of unionists in the party’s leadership bodies and legislative faction.

Established party-union linkages came under increasing strain during the 1980s and 1990s. Fiscal crisis and global economic and ideological change generated pressure for labor-based parties to adopt market-oriented programs, which often put those parties at odds with their union allies (Burgess 1999; Murillo 2001). Changes in class structure also threatened to undermine party-union alliances. As workers became less concentrated in factories and more heterogeneous in their skills, work experiences, and interests, unionization rates fell and labor organizations’ capacity to mobilize or negotiate on behalf of their members declined. Industrial working-class decline also eroded the traditional electoral bases of labor-based parties. Emerging “post-industrial” electorates were characterized by weaker class and party identities and increasingly independent voting patterns (Dalton et al. 1984). These changes generated pressure for labor-based parties to reconfigure—and generally loosen—their linkages to unions. On the one hand, unions had less to offer parties in terms of the traditional party-union exchange: they could deliver fewer votes, were less necessary to ensure social peace, and had fewer resources to invest in the political arena (Howell and Daley 1992). On the other hand, the persistence of strong party-union linkages was seen to undermine labor-based party performance, both by hindering efforts to adopt market-oriented policies and by limiting the parties’ capacity to appeal to new constituencies (Koelble 1992; Kitschelt 1994).

7. The concept of “core constituency” is taken from Gibson (1996).
The challenges facing Latin American labor-based parties differed from those facing European social-democratic parties in at least two ways. First, due to deeper economic crises and weaker and more dependent national economies, the limits on policy-making autonomy in Latin America were far greater than in the advanced industrialized countries. Thus, whereas most European social democratic parties underwent gradual programmatic change during the 1980s and 1990s, Latin American labor-based parties were often forced to make sudden and dramatic shifts to the right (Stokes 2001).

Second, post-industrial class structures in Latin America differed substantially from those in the advanced industrialized countries. Whereas European post-industrial electorates were increasingly educated, middle class, and “post-materialist” (Inglehart 1977; Dalton et al. 1984; Kitschelt 1994), Latin American labor-based parties confronted a dualistic scenario: whereas a segment of the work force followed the advanced industrialized path toward white collarization, the other—usually larger—segment was pushed into the urban informal sector (Castells and Portes 1989). Informal sectors grew rapidly throughout Latin America in the 1980s and 1990s, accounting for nearly 50 percent of urban employment in the region at the century’s end (International Labour Organisation 1999). The expansion of the informal sector created a difficult challenge for labor-based parties. Like white collarization, informalization tends to weaken class-based organizations and erode class identities (Roberts 1998, 65–73). In addition to being “notoriously difficult to organize” (Roberts 2002b, 24), informal sector workers are less likely than blue-collar workers to have contact with unions, understand their interests in class terms, or hold stable class or partisan identities (Castells and Portes 1989, 31–32). Yet because many informal sector workers are poor and lack education, they are unlikely to respond to the kinds of issue-based, post-materialist appeals adopted by many European left-wing parties.

The challenge for Latin American labor-based parties has thus been to combine market-oriented policies with concrete material appeals to an increasingly fragmented and heterogeneous working- and lower-class electorate. One strategy has been to replace class-based or corporatist linkages with clientelist linkages, or localized networks that bind followers through “direct, personal, and typically material side payments” (Kitschelt 2000, 849). Clientelist linkages may win votes directly, through the exchange of material goods for votes, and indirectly, through the delivery of favors (generally in the form of access to state resources) to activists whose labor may yield important electoral benefits. Given the macroeconomic constraints imposed by the debt crisis and fiscal austerity, clientelism was one of the few available mechanisms through which to deliver concrete material benefits to lower-class constituents during
the 1980s and 1990s. Because the urban poor frequently discount the future in favor of short-term material benefits, and because they generally lack regular access to government services, they tend to be open to particularistic appeals (Scott 1969, 1150; Auyero 2000; Kitschelt 2000, 857).

Clientelism thus provides a relatively low-cost means for Latin American labor-based parties to appeal to low-income voters in a context of de-industrialization and economic reform (Gibson and Calvo 2000). Such linkages may be preferable to class-based linkages for two reasons. First, clientelist networks are more effective than union-based organizations at winning votes in a context of widespread unemployment and informal employment. Second, clientelist linkages are more compatible with market-oriented economic policies. Primarily concerned with local, particularistic demands, machines tend to be more programmatically flexible than class-based organizations (Scott 1969; Wilson [1973] 1995, 37–38). Although clientelism is often viewed as incompatible with market-oriented reform (Geddes 1994), evidence from Latin America suggests that the two may in fact be quite compatible (Roberts 2002a, 19). By providing a mechanism for the distribution of material compensation to potential “losers” of neoliberal reforms, clientelist linkages may help to enhance the political sustainability of those reforms (Dresser 1991; Gibson 1997; Gibson and Calvo 2000).

Clientelism may also generate significant costs for parties (Warner 1997). For example, clientelist appeals and machine candidates frequently alienate middle- and upper middle-class voters. Indeed, because machine politics are often associated with corruption and inefficiency, clientelist parties tend to be vulnerable to reformist or “clean government” challenges, particularly in areas with large middle-class electorates. Yet compared to alternative strategies of retaining strong union ties (at the risk of electoral ghettoization) and abandoning working-class linkages altogether (at the risk of losing their core support bases), clientelist linkages may be the most politically viable way for established labor-based parties to both manage the process of neoliberal reform and retain lower-class support.

8. In such cases, an optimal strategy may be to “diversify linkage mechanisms” (Kitschelt 2000, 853) by combining programmatic appeals at the national level with clientelism in peripheral and low-income areas (Gibson 1997; Díaz Cayeros, Estévez, and Magaloni 2001).

9. Although personalistic or “neo-populist” appeals have also succeeded in winning working- and lower-class votes, such strategies tend to be associated with the weakening of established parties (Roberts 1995; Weyland 1996, 1999). Roberts (1998) suggests that left and labor-based parties could also pursue a democratic “deepening” strategy that entails linkages to social movements and other grassroots organizations. To some extent, the Brazilian Workers Party (PT) has followed this strategy.
Latin American labor-based parties adapted with varying degrees of success during the 1980s and 1990s (Roberts 1998; Burgess and Levitsky 2003). Whereas some parties radically reconfigured their linkages to organized labor (PJ, Chilean Socialists), in other cases, these linkages either remained intact (Venezuelan AD) or were only partially transformed (Mexican PRI). To explain these diverging outcomes, one must examine variation in both parties’ incentives to adapt and their capacity to adapt (Kitschelt 1994; Burgess and Levitsky 2003). Parties’ incentives to undertake coalitional change are often found in the external environment, particularly the electoral environment (Downs 1957; Panebianco 1988; Harmel and Janda 1994). Parties that fail to adapt to changes in the electorate are likely to suffer defeat, decline, or both. Because electoral defeat generally results in a loss of resources for parties and party leaders, it is widely viewed as a catalyst for party change (Panebianco 1988, 243–44; Harmel and Janda 1994, 279–81). Thus, labor-based parties that suffered a serious electoral setback during the 1980s were more likely to reconfigure their union linkages than were parties that did not.

The incentive to pursue a clientelist adaptive strategy hinges on the availability of state resources. Following Martin Shefter, for a party to rebuild along clientelist lines, two conditions must hold: (1) the party must have access to public office and (2) the state must lack bureaucratic autonomy and a strong “constituency for universalism” (1994, 27–28). Where access to patronage will be limited by effective civil service legislation, and bureaucratic autonomy is reinforced by a coalition strong enough to punish parties that violate it, clientelist strategies will not be viable.

The capacity of labor-based parties to reconfigure their working-class linkages is, in large part, a product of internal structure (Koelble 1991, 1992; Kitschelt 1994; Levitsky 2003). A major determinant of the organizational flexibility of labor-based parties is trade union power. To the extent that party leaders depend on industrial unions for human, financial, and organizational resources, adaptation is difficult (Koelble 1992; Kitschelt 1994, 225). By contrast, parties that do not depend heavily on unions may be better equipped to appeal to post-industrial electorates. Yet the speed and extent of labor-based party transformation also hinges on the degree to which party-union linkages are institutionalized (Levitsky 2001b; 2003). Institutionalization limits the pace of organizational change. When rules and procedures are institutionalized, stable sets of expectations and interests form around them. 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 the preservation of existing arrangements, as well as a greater capacity to defend them (North 1990, 364–65). Institutionalized rules often
become “taken-for-granted,” in the sense that actors comply with them without constantly evaluating the immediate costs and benefits of such compliance (Zucker 1977, 728; Jepperson 1991, 147). Institutionalized party-union linkages thus tend to be “sticky,” in that they do not change as quickly as underlying preference and power distributions. By contrast, non-institutionalized party-union linkages tend to be more open to rapid and extensive change.

In sum, successful coalitional transformation during the 1980s and 1990s was most likely where (1) labor-based parties had suffered a major electoral setback and (2) unions lacked an institutionalized presence in the party organization. Adaptive strategies were more likely to take the form of clientelist linkages where parties enjoyed access to a state that lacked bureaucratic autonomy.

THE CASE OF PERONISM

Peronism underwent a rapid and far-reaching transformation during the 1980s and 1990s. The PJ’s traditional mechanisms of union participation were dismantled, and clientelist networks replaced unions as the party’s primary linkage to the working and lower classes, transforming urban Peronism into a patronage-based political machine. These changes benefited the party in two ways. First, they enabled the party to appeal to the growing middle-class electorate without divorcing itself from urban working- and lower-class constituencies. Second, after 1989, they enhanced the Menem government’s capacity to implement market-oriented reforms.

Incentives to Adapt

The PJ had a strong incentive to adapt in the 1980s. Peronism had emerged from military rule as a de facto labor party. Although it maintained clientelist support bases in the peripheral provinces (Gibson 1997; Gibson and Calvo 2000), the PJ’s organization in large industrialized districts such as the Federal Capital, Buenos Aires, Córdoba, and Santa Fe was based primarily on unions. At the national level, union bosses imposed the PJ’s platform and presidential ticket during the 1983 elections (Cordeu, Mercado, and Sosa 1985, 27–30), and trade unionists gained the acting party presidency, the presidency of the legislative bloc, and more than a quarter of the party’s legislative seats that year. Laborism was ill-suited for Argentina’s increasingly post-industrial electoral environment. Employment in manufacturing fell by more than a third between 1970 and 1990 (Smith 1989, 264; Powers 1995, 91–92), and leading

industrial unions lost up to half of their members (Abós 1986, 189). Working-class decline was accompanied by the growth of the tertiary and informal sectors (Palomino 1987). These changes posed a two-fold electoral threat for the PJ. First, the growth of the informal sector threatened its hegemony among the urban poor. Whereas industrial unions had historically encapsulated much of the working class, de-industrialization created a vast pool of low-income voters who were “organically disconnected from union activities” and whose interests were “not easily articulable with those of wage workers” (Villarreal 1987, 85). The PJ confronted a similar problem with the white-collar sector. Better educated, more socially mobile, and less attached to traditional party identities than blue-collar voters, white-collar workers swelled the ranks of the independent electorate (Catterberg 1991).

Union hegemony limited the PJ’s capacity to appeal to these new voters. In 1983, in a campaign that was largely run by the unions, the PJ adopted an inward-oriented strategy aimed at traditional working- and lower-class Peronist voters (Waisbord 1995, 30–32, 181), ceding the middle-class electorate to the Radical Civic Union (UCR). Although PJ presidential candidate Italo Luder was not a unionist, he “could not free himself from the image of a man controlled by the union leadership.” UCR candidate Raúl Alfonsin, whose human rights-oriented discourse appealed to many independent and middle-class voters, easily defeated Luder, handing the PJ its first-ever electoral defeat. Two years later, the UCR defeated the PJ in midterm legislative elections, and the Peronist vote fell to an historical low of 35 percent. In both elections, the independent and middle-class electorates voted overwhelmingly against the PJ, providing the UCR’s margin of victory (Canton 1986, 48–49, 164; Catterberg 1991, 81–82). These outcomes created a clear incentive for the PJ to broaden its electoral appeal.

The PJ’s incentives to pursue a clientelist adaptive strategy were enhanced by the availability of state resources. The Argentine state lacked effective bureaucratic autonomy in the 1980s and 1990s. Public sector jobs were widely used for patronage purposes (Gibson and Calvo 2000), and to the extent that a constituency for universalism existed, it was confined to major metropolitan centers. Although Peronism’s proscription from politics limited its access to state resources during the 1955–83 period, the PJ gained widespread access to public office in 1983 when it captured twelve governorships, hundreds of mayoralties, and thousands of city council seats.

Capacity to Adapt: A Weakly Institutionalized Party-Union Linkage

The PJ also possessed substantial adaptive capacity. Unlike many European and Latin American labor-based parties, the Peronist party-union

linkage was never institutionalized. Although unions were fundamental to Juan Perón’s rise to power in the 1940s and maintained a central role in the Peronist coalition through the mid-1980s, the Peronist Party never developed stable or well-defined rules and procedures to govern union participation. As James McGuire (1997) has shown, efforts to institutionalize the party-union linkage were repeatedly derailed over the course of the movement’s history. Thus, although union leaders created the well-structured Labor Party in 1945 to mobilize support for Perón’s first presidential bid (Torre 1990, 148–55), Perón dissolved the party shortly after taking office and replaced it with a personalistic vehicle (later named the Peronist Party) that lacked any formal mechanism of labor representation. The party-labor linkage remained fluid after Perón’s overthrow in 1955, as efforts by Augusto Vandor, leader of the Metalworkers Union, to build an institutionalized labor-based party were blocked by the exiled leader (McGuire 1997). Although the unions used their mobilizational strength to gain control of the party after Perón’s death in 1974, they failed to establish stable rules of the game for union participation (McGuire 1997, 166–69).

Prior to 1983, the Peronist party-union linkage was based on two informal and loosely structured mechanisms: the “62 Organizations” (or “62”) and the tercio (or one-third) system. The “62” functioned, informally, as labor’s encompassing representative within the Peronist leadership. Its origins lay in a September 1957 CGT congress in which an alliance of forty-three Peronist and nineteen communist unions won control of the confederation. During the early 1960s, the “62” emerged as the unions’ collective representative within Peronism, with the (informal) right to nominate unionists for party candidacies and leadership posts. Though broadly accepted as Peronism’s “labor branch” in the 1960s and 1970s, the “62’s” role in the party was never institutionalized. It was never mentioned in party statutes; had no formal position in the party leadership; held no regular meetings; and lacked a central office, budget, or stable internal rules and operating procedures (McGuire 1997, 98–99).

The tercio was rooted in Peronism’s corporatist tradition of granting its “political,” “women’s,” and “labor” branches a third of party candidacies and leadership posts. The tercio’s origins are disputed. Whereas some Peronists claim that it was respected “like a law” during the first Perón government,12 others describe it as a “retrospectively created myth” that was always “more folklore than reality.”13 Although the tercio was

13. Author’s interviews with congressional deputies Juan Carlos Maqueda (11 September 1997) and Lorenzo Domínguez (25 September 1997).
widely employed through 1983, it was never written into party statutes or systematically enforced. Rather than a taken-for-granted procedure, it was often employed only after intense lobbying by powerful unions and ad hoc negotiations between union and party leaders. In 1983, for example, PJ leaders in Tucumán and Mendoza initially rejected the tercio and only included unionists on party leadership and candidate slates after heavy pressure by the national “62” leadership (Levitsky 2003, 113–14). In provinces in which unions were weak, such as Corrientes and Santiago del Estero, party bosses ignored the tercio entirely.

Labor’s role in the PJ was thus powerful but weakly institutionalized at the time of the 1983 democratic transition. Unions possessed no formal structure of representation in the party or stable rules and procedures ensuring their participation in the party leadership. Instead, union participation hinged on a set of loose and contested informal norms, which left it vulnerable to changes in the distribution of power and preferences within the party. Such changes occurred between 1983 and 1987.


The PJ’s 1983 defeat sparked the emergence of an internal reform movement called the Renovation, a coalition of progressive urban politicians, provincial bosses, and the “Group of 25” (or “25”) union faction. The Renovators converged around two goals, both of which entailed an assault on the unions. First, they sought to broaden the PJ’s electoral appeal to include middle-class and independent voters (Abós 1986, 82–84). Convinced that the PJ had lost the 1983 election because it had appealed too narrowly to its traditional base, the Renovators warned that “Peronism will not be a majority again . . . if it does not open its arms and take in other sectors of national life.”14 Second, the Renovators sought to democratize the PJ internally, which entailed replacing the corporatist tercio with direct elections to select leaders and candidates (Palermo 1986).

The Renovators’ capacity to achieve these goals was rooted in a fundamental shift in the distribution of resources between PJ politicians and unions. Peronists had depended heavily on union resources during the 1976–83 dictatorship,15 and unions were the PJ’s primary source of financial and organizational resources during the 1983 electoral campaign (Cordeu et al. 1985, 61–63). After gaining access to public office in

15. Even acting party president Deolindo Bittel relied on the unions to finance his activities. A resident of Chaco province, Bittel lived in a hotel paid for by the glass workers union when he was in Buenos Aires (author’s interview with Deolindo Bittel, 13 November 1996).
1983, however, PJ politicians substituted state resources for union resources. Using government jobs to cement alliances with neighborhood activists, or punteros, politicians constructed patronage-based support networks, or agrupaciones, at the margins of the unions. These informal networks served as the organizational foundation for the Renovation. In the industrialized districts, the Renovation emerged as a patchwork of local agrupaciones built up by city council members, mayors, and legislators. Renovation leaders such as Carlos Grosso (Federal Capital), Antonio Cafiero (Buenos Aires), and José Manuel de la Sota (Córdoba) stitched these agrupaciones together into provincial factions capable of challenging union-backed Orthodox party leaderships. Between 1985 and 1987, Renovation factions wrested control of party branches in all of the major industrialized districts, laying the foundation for a takeover of the party leadership in 1987 (Levitsky 2003, 110–111).

Due to the weak institutionalization of the PJ-union linkage, this shift in the internal balance of power quickly translated into organizational change. As the unions’ power to impose the traditional rules of the game eroded, Renovation leaders began to contest and break them. For example, after failing in an attempt to gain control of the “62” in 1985, the Renovators opted to circumvent it and treat the pro-Renovation “25” union faction as an alternative “labor branch.” Dismissing the “62” as “an historical artifact,” the Renovators refused to recognize its informal right to nominate unionists for party posts, awarding that right to the “25” in PJ branches they controlled. Over the next few years, other Peronist labor organizations—such as the “Menem for President” Labor Roundtable and the Mesa de Enlace Sindical—were created at the margins of the “62.” Their emergence ended the “62’s” traditional monopoly over Peronist labor representation, transforming it from the PJ’s encompassing “labor branch” into one of several union factions. By the 1990s, union leaders described the “62” as an “empty name” to which “no one pays attention.”

The Renovation challenge also eroded the last vestiges of legitimacy behind the tercio. Viewing the tercio as a thinly veiled mechanism to maintain labor hegemony, Renovation leaders called on the PJ to “do away with the absurd labor percentage” (Bárbaro 1985, 151) in favor of direct internal elections. In 1986, when the national party leadership ordered provincial branches to employ the tercio, it was rebuffed by

16. Thus, the “25” opened a think tank, launched a newspaper, and established regional organizations throughout the country (Clarín, 20 December 1985, 11; 23 December 1985, 17; 2 July 1986, 7).
18. Author’s interview with Lorenzo Minichielo, general secretary of the Quilmes section of the auto workers union, 15 May 1997.
19. Author’s interview with former CGT general secretary Oscar Lescano, 27 October 1997.
Renovation-controlled party branches. For example, when party leaders sent a representative to Mendoza to “ensure the institutional participation of the labor and women’s branches,” local Renovators ignored him. By 1987, the idea that the unions had a right to a quota of candidacies was widely discredited.

The PJ’s informal mechanisms of union participation were buried definitively after the Renovators won control of the party in 1987. During the November 1987 party congress, which was responsible for drawing up new party statutes, political and labor leaders failed to converge around new procedures to structure union participation. Whereas the “62” defended the old corporatist system, the “25” did not seek any kind of institutional party-union linkage. According to one former “25” member, the group did not seek a special institution, labor party style, to guarantee union participation. . . . We expected that with our leaders participating in the Renovation leadership, we would have no problem. . . . We didn’t think about what would happen if we lost, or if our leaders weren’t there. We should have found some kind of mechanism for union participation, like in Venezuela or in European social democracy. But in the struggle for internal democracy, we forgot all about that.

The Renovation-led congress replaced the tercio with a system of direct elections, which empowered those who controlled votes on the ground. The congress did not create a new mechanism to guarantee unions a role in the candidate and leadership selection process or a body to collectively represent labor. Although the new statutes reserved 17 of 110 National Council seats for labor, they did not specify who would choose the union representatives or how they would be chosen. In the absence of a “62”-like body to represent labor, the selection of union representatives fell into the hands of the political bosses who drew up the party lists.

The Renovation period, which ended with Menem’s election in 1989, laid the foundation for the PJ’s de-unionization. Paradoxically, Renovation leaders did not envision a de-unionized party, but rather a European-style labor-based party in which unions played an important, but junior, role. Indeed, under the Renovation, “25” leader Roberto García

22. Author’s interview with Gustavo Morato, 13 June 1997.
23. Menem defeated Renovator Antonio Cafiero in the 1988 presidential primaries. Although Cafiero remained party president until 1990, Menem’s victory allowed him to gain effective control over the party.
24. Author’s interviews with ex-Renovation leaders José Manuel de la Sota (17 November 1997) and Carlos Grosso (28 November 1997). In 1987, Guido Di Tella declared that the Renovators sought to build a party that was “comparable to . . . British Labour, the German Social Democratic Party, and the Spanish Socialist Workers Party” (La Prensa, 13 September 1987, 4).
served as PJ vice president and unionists held more than 20 percent of the PJ’s seats in Congress. Yet in doing away with the “62” and the tercio and failing to create new (formal or informal) mechanisms of union participation, the Renovators made the PJ’s subsequent de-unionization during the 1990s possible.

THE CONSOLIDATION OF MACHINE POLITICS

Union influence in the PJ declined precipitously during the 1990s. In the industrialized districts, this decline was accompanied by the consolidation of machine politics. As patronage networks replaced unions as the primary bases for organization, urban Peronism increasingly resembled the clientelist machines that predominated in the peripheral provinces (Gibson 1997). The consolidation of urban machines was facilitated by two legacies of the Renovation: (1) a pure electoral regime for selecting leaders and candidates and (2) the political fragmentation of labor. First, by replacing the tercio with internal elections and not creating an alternative mechanism for union participation, the Renovators left an organizational void that was filled by patronage politics. Winning internal elections required a vote-getting infrastructure, and state resources—particularly government jobs—were the most efficient means of creating such an infrastructure. As patronage-based leaderships consolidated, state resources became the primary linkage between the PJ and its activists. If during the 1980s such organizations had helped PJ politicians reduce their dependence on the unions, in the 1990s they became the only game in town.

A second Renovation legacy that contributed to the consolidation of machine politics was the political fragmentation of labor. Efforts to reconstruct an encompassing labor organization in the wake of the “62’s” collapse—such as the Mesa de Enlace Sindical (1989), the Convocation of Peronist Workers (1994), and the “Duhalde for President” Labor Roundtable (1996)—repeatedly failed. As a result, unions began to operate as political free agents, negotiating individual alliances with party bosses. This enabled party bosses to play unions off against one another as they competed for positions on candidate lists. As a local textile workers union leader put it,

It’s easier for political leaders to negotiate with single unions than to negotiate with labor as a whole. They give a position to the metalworkers here, to the municipal workers there, and then they have labor divided and it doesn’t bother them anymore.25

25. Author’s interview with Hugo Benítez, ex-general secretary of La Matanza branch of the textile workers union, 11 April 1997.
Combined with the concentration of power in the hands of provincial party bosses, labor’s political fragmentation effectively removed it from the leadership and candidate selection process. According to former CGT general secretary Saúl Ubaldini,

We participate only if the governors say we can participate. . . . The “62” disappeared. The tercio disappeared. And logically, with their disappearance, no one is going to come looking for us. . . . We published [our demands] the day before the candidate lists were drawn up, but none of the governors paid attention to it.26

The consolidation of machine politics and subsequent decline in union influence can be seen in the cases of Argentina’s two largest industrialized districts: the Federal Capital and Buenos Aires. In both districts, office-holding party bosses used their control over state resources to co-opt the vast majority of local and neighborhood leaders into centralized machines, which left the unions with little to offer in exchange for candidacies. Lacking an encompassing organization, labor fragmented, and unions were reduced to competing among themselves for positions on party lists.

The Federal Capital machine was led by Renovator Grosso, who was elected local party president in 1985 and appointed Federal Capital mayor in 1989. The Grosso machine, known locally as the “System,” was a coalition of agrupaciones whose power base lay in the city council. A vast expansion of the city council payroll—from 1,771 in 1985 to more than 5,000 in 1991 (Carnota and Talpone 1995, 54–55)—transformed PJ city council members into “professionals of patronage.”27 Party activists flocked to the emerging agrupaciones in search of government jobs, and by the end of the decade, “the neighborhoods, which had been controlled by unions, were dominated by city council members.”28 When Grosso was appointed mayor, the leading agrupaciones “municipalized Peronism, converting party activists into municipal employees.”29 By the early 1990s, virtually all of the city’s 400 neighborhood branches (or base units) were run by government employees, and power in the party had become concentrated in the hands of Grosso and other public officials. As the Grosso machine consolidated, labor fragmented. Traditionally powerful unions such as the metalworkers, municipal workers, oil workers, and public administration workers began to negotiate individual alliances with party leaders. As the unions’ leverage vis-à-vis party bosses eroded, the number of labor candidacies dwindled. Unionists gained two positions on the PJ’s parliamentary list in 1989, one candidacy in 1991 and 1993, and none thereafter.

26. Author’s interview, 3 October 1997.
27. Author’s interview with local PJ leader Juan Carlos Castro, 30 September 1997.
29. Author’s interview with former city council member Salvador Corrado, 13 October 1997.
In Buenos Aires, Eduardo Duhalde built a powerful machine after leaving the vice presidency to run for governor in 1991. The *Duhaldista* coalition was based on an alliance between Duhalde’s Federal League faction and the Buenos Aires Peronist League (LIPEBO), led by Renovators linked to ex-governor Cafiero. The coalition was cemented with patronage. Whereas the Federal League controlled the public works ministry, LIPEBO controlled the provincial legislature, which provided it with reportedly 90 million dollars a year and hundreds of patronage jobs. Duhalde also made political use of the Suburban Reparation Fund, which diverted 10 percent of federal tax revenues to Greater Buenos Aires for public works. The Fund, which invested $1.6 billion between 1992 and 1995, operated according to a clear political logic, with *Duhaldista* mayors getting the largest share (López Echagüe 1996, 167–75). Patronage allowed Duhalde to concentrate power in the party. In 1993, the Federal League-LIPEBO coalition won internal elections with 93 percent of the vote, and in 1995, the party congress canceled the primaries altogether, authorizing Duhalde to single-handedly draw up the party lists. As Duhalde concentrated power, union influence waned. The number of unionists elected to Congress fell from six in 1987 to two in 1995 and just one in 1999. Moreover, labor’s role in the nomination process changed considerably. As railway workers union leader José Pedraza put it, “If two unionists get on the list it is because Duhalde says so. It is he who decides who the union candidates are and how many there will be.”

**The Decline of Union Influence**

The consolidation of machine politics brought a precipitous decline in union influence in the PJ. Because local and provincial party bosses controlled powerful patronage-based organizations, they no longer needed union resources for electoral campaigns, and as a result, unionists were increasingly excluded from party leadership positions. Table 1 charts the decline of union representation in the PJ National Council. Although the 1987 party charter guaranteed the unions 17 representatives in the 110-member National Council, the number of unionists in positions of power declined considerably. In the National Council Executive Board, for example, union representation fell from more than a third (37.5 percent) in 1983 to a quarter in 1990 to an eighth (12.5 percent) in 1995. A second indicator of the erosion of union influence is the steady decline in the number of unionists elected to the Chamber of

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32. Author’s interview, 10 July 1997.
Deputies. Table 2 shows this decline for the major industrialized districts. Whereas in the mid-1980s union members were elected in every district, a decade later, they were only elected in Buenos Aires. Table 3 shows the overall decline in union representation in the Chamber of Deputies. The number of Peronist union representatives diminished steadily between 1985 and 1995, despite an increase in the size of the PJ bloc. Whereas unionists constituted more than a quarter of the PJ bloc in the mid-1980s, a decade later they constituted less than 5 percent.

There was also a qualitative change in the relationship between organized labor and its legislative representatives. With the decline of the “62” and the consolidation of urban machines, unionists who were elected to congress increasingly owed their seats to party bosses, rather than organized labor. According to former CGT general secretary Oscar Lescano,

In the past, the CGT and “62” placed men on the party lists, so these men depended on the labor movement. Now unionists . . . are sent by political bosses. . . . There is no centralized control, either in the CGT or the “62” Organizations.33

33. Author’s interview, 27 October 1997.
The CGT’s inability to control union deputies became increasingly manifest over the course of the 1990s. In June 1991, when union deputies blocked a government bill to postpone payments of Christmas bonuses, seventeen of twenty-four union deputies joined the CGT in opposing the bill.34 During the following congressional term, when Lescano threatened to order labor deputies to boycott a session dedicated to privatizing the state oil company (thereby preventing a quorum) as leverage in negotiations to pass collective bargaining legislation, only five of fifteen union deputies heeded his call.35 Lescano’s successor, Naldo Brunelli, found that he had “no control whatsoever” over union deputies.36 In late 1993, the government secured a commitment from six of the ten labor deputies to vote independently of the CGT on legislation to liberalize labor markets.37 During the 1995–97 congressional period, four of six union deputies regularly voted in line with their governors,38 while only one union deputy—Brunelli—consistently voted the union line.

Union influence over party strategy declined as well. Whereas in 1983 labor had largely dictated PJ strategy, in the early 1990s the newspaper Clarín described it as “scarcely a spectator” in the party.39 Although labor was at times able to influence policy via direct negotiations with the government (Etchemendy and Palermo 1998), it was rarely able to channel demands through the party. According to labor leader and former PJ National Council member, José Azcurra, “no one listened” to union

### Table 3 The Erosion of Peronist Union Representation in the Chamber of Deputies, 1983–2001

<table>
<thead>
<tr>
<th></th>
<th>1983</th>
<th>1985</th>
<th>1987</th>
<th>1989</th>
<th>1991</th>
<th>1993</th>
<th>1995</th>
<th>1997</th>
<th>1999</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Union Members in PJ Bloc</td>
<td>29</td>
<td>28</td>
<td>22</td>
<td>24</td>
<td>18</td>
<td>10</td>
<td>6</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Overall Size of PJ Bloc</td>
<td>111</td>
<td>101</td>
<td>105</td>
<td>120</td>
<td>120</td>
<td>128</td>
<td>130</td>
<td>119</td>
<td>99</td>
<td>118</td>
</tr>
<tr>
<td>Percent of PJ Bloc Members in Union</td>
<td>26.1</td>
<td>27.7</td>
<td>21.0</td>
<td>20.0</td>
<td>15.0</td>
<td>7.8</td>
<td>4.6</td>
<td>4.2</td>
<td>4.0</td>
<td>2.5</td>
</tr>
</tbody>
</table>

Source: Gutiérrez (1998, 41–44) and author’s calculations.

36. Author’s interview with Naldo Brunelli, 22 July 1997.
38. These were Alfredo Atanasoff, Osvaldo Borda, José Luis Castillo, and Juan José Chica Rodriguez (author’s interview with CGT general secretary Rodolfo Daer, 2 October 1997).
leaders who opposed the Menem government’s economic policies during National Council meetings. In 1992, when labor leaders lobbied the PJ leadership to oppose the government’s plan to deregulate the union-administered health insurance system, the body refused to even debate the issue. Later that year, when the CGT called a general strike against the government, the PJ publicly opposed such an action for the first time since the return to democracy.

CHANGING PATTERNS OF UNION PARTICIPATION

The erosion of union influence generated an unprecedented debate within the labor movement over the value of maintaining the party-labor alliance. In the mid-1990s, CGT leaders debated whether or not to “break with the governing party, like in Spain.” A few white-collar unions, including the state workers and teachers unions, created the Argentine Workers Central (CTA), which broke with the PJ and remained autonomous of political parties. Other unions, such as those in the dissident Argentine Workers Movement (MTA), remained Peronist but grew increasingly detached from party activity. However, most unions continued to participate in the PJ.

As Table 4 shows, a 1997 survey of thirty-six local unions in the Federal Capital and Greater Buenos Aires and thirty-nine national unions found that more than 80 percent of national unions and more than 90 percent of local unions had participated in some form of party activity (e.g., participating in primaries or campaigning in general elections) during the year. Although many unions reported that their participation in the PJ had declined since 1990, only four local unions and three national unions opposed continued party activity. This evidence suggests that McGuire’s (1995, 237–238) concern that the PJ’s continued lack of institutionalization in the 1990s reinforced the party’s historic failure to commit unions to party—and democratic—politics may lack foundation.

Union participation in Peronist party politics took three different forms during the 1990s. First, the Metalworkers Union (UOM) and a handful of other unions maintained a corporatist strategy. These unions invested little in territorial politics and avoided, whenever possible, competing in internal elections. Instead, they sought to obtain influence via backroom deals with party bosses in which they exchanged union resources for candidacies. Although the UOM was able to negotiate congressional

40. Author’s interview, 20 October 1997.
42. Clarín, 5 November 1992, 11.
43. Author’s interview with CGT general secretary Rodolfo Daer, 2 October 1997.
44. MTA unions included the truckers, public transportation workers, beer bottlers, and pharmacy employees unions.
ARGENTINE PERONISM, 1983–1999

In every election through 1993, the strength of local machines had reduced its negotiating power. The UOM failed to gain candidacies in 1995 and 1997, and when Naldo Brunelli’s term expired at the end of 1997, it was left without legislative representation for the first time since the dictatorship.

A second strategy was to use union resources to sponsor territorial agrupaciones. This strategy was widely pursued by unions from the “25” faction. In the Federal Capital, for example, tobacco employees union leader Roberto Digón created Solidarity, a union-based organization that sponsored dozens of neighborhood base units and helped him win a seat in congress in 1993. Custodians union leader José María Santamaría “territorialized” his union by placing a local union hall in each of the city’s twenty-eight wards. During election campaigns, the union halls transformed themselves into base units of the “October 2” agrupación, which helped elect Santamaría to two terms in the city council. In Greater Buenos Aires, Osvaldo Borda (rubber workers) and José Luis Castillo (ship captains) created agrupaciones in La Matanza and Avellaneda, respectively, and each was elected to three terms in congress. The success of these entrepreneurial union leaders induced others to follow their example, and dozens more union-based agrupaciones appeared in the mid-1990s.

45. For example, Luis Barrionuevo used resources from the restaurant workers union to build a powerful political organization in Greater Buenos Aires, and private oil

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**Table 4** Local and National Union Participation in the PJ in the 1990s (percentages in parentheses)

<table>
<thead>
<tr>
<th>Question</th>
<th>Response</th>
<th>Local Unions&lt;sup&gt;a&lt;/sup&gt; (N=36)</th>
<th>National Unions&lt;sup&gt;b&lt;/sup&gt; (N=39)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did union participate in PJ politics in 1997?</td>
<td>Yes</td>
<td>33 (91.7)</td>
<td>33 (84.6)</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>3 (8.3)</td>
<td>6 (15.4)</td>
</tr>
<tr>
<td>Has a union member held a position in the local/national party or government since 1990?</td>
<td>Yes</td>
<td>15 (41.7)</td>
<td>24 (61.5)</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>21 (58.3)</td>
<td>15 (38.5)</td>
</tr>
<tr>
<td>How has the union’s participation in the PJ changed over the last 10 years?</td>
<td>Increased</td>
<td>3 (9.7)</td>
<td>7 (20.0)</td>
</tr>
<tr>
<td></td>
<td>Unchanged</td>
<td>15 (48.4)</td>
<td>8 (22.9)</td>
</tr>
<tr>
<td></td>
<td>Decreased</td>
<td>13 (41.9)</td>
<td>20 (57.1)</td>
</tr>
<tr>
<td>Does the union favor continued participation in the PJ?</td>
<td>Yes</td>
<td>30 (83.3)</td>
<td>31 (79.5)</td>
</tr>
<tr>
<td></td>
<td>Yes, if PJ changes</td>
<td>2 (5.6)</td>
<td>5 (12.8)</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>4 (11.1)</td>
<td>3 (7.7)</td>
</tr>
</tbody>
</table>

<sup>a</sup> Based on author’s survey of leaders of 36 local unions in the Federal Capital, La Matanza, and Quilmes in 1997.

<sup>b</sup> Based on author’s survey of leaders of 39 national unions in 1997.
Although agrupaciones were effective in electing union leaders to public office, this strategy faced two important limitations. First, because agrupaciones were based on single unions, they further fragmented the labor movement, limiting its capacity to act collectively vis-à-vis party bosses. Second, in building territorial bases and competing in internal elections, union leaders were induced to behave according to the same logic as their non-union counterparts. Their primary objectives became negotiating alliances with punteros and local bosses, and when elected, they owed more to their territorial bases and party bosses than to their unions. Consequently, their behavior in Congress began to resemble that of non-union politicians. Indeed, many of them abandoned their union careers to become full-time politicians.

In an effort to limit fragmentation and hold elected unionists accountable to the labor movement, some union leaders opted for a third strategy: the creation of “labor roundtables.” Modeled on the “Menem for President” Labor Roundtable, which mobilized union support for Menem’s 1989 presidential bid, labor roundtables brought various unions together into a single body, generally in support of a particular faction or candidate. This enabled the unions to negotiate as a bloc with party bosses. Scores of labor roundtables emerged during the 1990s. In the province of Buenos Aires, for example, unions formed the “Duhalde for President” Labor Roundtable in an effort to “influence some party decisions and include our candidates on [party] lists.” However, most roundtables divided along political factional lines and were quickly abandoned after electoral campaigns ended. Because they lack the resources necessary to effectively discipline member unions or to act on their behalf, labor roundtables are unlikely to function as effective or enduring collective organizations. Union leaders are free to prioritize their own interests over those of the roundtable, and as a result, roundtables routinely collapse as member unions negotiate individual deals with party bosses.

Given that none of the above strategies succeeded in reversing the decline of union influence during the 1990s, why did so many unions continue to participate actively in Peronist politics? One factor was the workers leader Julio Miranda built the Tucumán-based “Peronism of Hope” agrupación, which served as a vehicle for successful senate and gubernatorial bids.

46. According to legislator Juan José Chica Rodríguez, who is general secretary of San Juan branch of the Light and Power Workers Union, he “didn’t run for office as a union representative but rather as a citizen and party member” (author’s interview, 23 September 1997).

47. Such was the case with former railway workers union leaders Lorenzo Pepe and Oraldo Britos, both of whom left the union for long careers in congress.

48. Author’s interview with hospital workers union leader Carlos West Ocampo, 13 October 1997.
persistence of strong partisan and interpersonal loyalties. Most Argentine unions were still dominated by leaders whose formative experiences lay in the violent and polarized period of the 1960s and 1970s, during which strong Peronist identities were forged. Also critical was the fact that many unions extracted important organizational benefits from the Menem government—including shares in newly privatized enterprises—in exchange for their continued political support (Murillo 1997). Perhaps the most important reason, however, is the fact that notwithstanding the meager collective result of labor’s political participation, individual union leaders continued to benefit from party activity. Given their considerable resources, unions remained an important springboard for political careers, particularly at the local level. Union leaders who invested in politics had a reasonable chance to be elected to city council or the provincial legislature, from which they could later build patronage networks.

COALITIONAL ADAPTATION AND POLITICAL SUCCESS

In less than a decade, then, the PJ transformed from a de facto labor party into a machine party. At the leadership level, labor was displaced from the party’s dominant coalition. At the base level, clientelist networks replaced unions as the primary linkage between the urban PJ and its rank-and-file supporters. This transformation benefited the PJ in two ways: it allowed the party to successfully reconfigure its electoral coalition, and it facilitated the party’s market-oriented shift under Menem.

Reshaping the Peronist Electoral Coalition

The PJ’s transformation was critical to its electoral success after 1985. The Renovation-led PJ pursued a two-pronged electoral strategy, seeking to increase its share of the middle-class and independent vote in metropolitan centers while at the same preserving its traditional base among the poor and in the peripheral provinces (Gibson 1997). The reconfiguration of the Peronist party-union linkage contributed in two ways to the success of this strategy. First, the erosion of union influence enhanced the autonomy of PJ leaders, which helped them undertake the strategic changes necessary to broaden the party’s electoral appeal. After the Renovators gained control of the PJ in 1987, they adopted a catch-all strategy aimed at middle-class and independent voters. They distanced themselves from old guard unions and made unprecedented use of the mass media, professional pollsters, and other modern campaign technologies (Waisbord 1995). This strategy was successful. The PJ decisively won the 1987 mid-term elections, raising its overall share
of the vote from 35 percent to 43 percent. Two years later, PJ candidate Carlos Menem captured the presidency with 47 percent of the vote.\textsuperscript{49} Critical to this success was the PJ’s improved performance among the middle sectors (Catterberg and Braun 1989). Survey data suggest that whereas the UCR defeated the PJ by a two-to-one margin among white-collar employees and a nearly three-to-one margin among students in 1983, the PJ split the white-collar vote and nearly split the student vote in 1989 (Catterberg and Braun 1989, 372).

Second, the consolidation of clientelist linkages helped the PJ maintain a relatively stable base among low-income voters. Available data suggest that most traditional working- and lower-class Peronists remained loyal to the PJ throughout the 1990s, despite the Menem government’s neoliberal turn (Gervasoni 1998; Ostiguy 1998).\textsuperscript{50} The PJ vote remained highest in low-income districts, and surveys consistently found support for the PJ to be highest among poorer and less educated voters (Ostiguy 1998, 357–58; Gervasoni 1998, 17–24). Although working- and lower-class Argentines voted Peronist for a variety of reasons, including entrenched Peronist identities (Ostiguy 1998) and the Menem government’s economic success (Gervasoni 1997), there is some evidence that clientelist linkages also helped the PJ retain its traditional base. During the 1990s, for example, the Peronist vote was both higher and more stable in provinces characterized by dense Peronist party organization and extensive public employment (Levitsky 1999, 272–79; Gibson and Calvo 2000).\textsuperscript{51}

The transition from labor politics to machine politics thus allowed the PJ simultaneously to appeal to a new constituency (the new middle class) and find a new basis with which to maintain its old constituency (the urban poor). The success of this two-pronged strategy can be seen in the party’s post-1985 electoral performance. As table 5 shows, the PJ won five consecutive national elections between 1987 and 1995. Although the PJ lost the presidency in 1999, it won fourteen of twenty-three governorships and remained the largest party in Argentina.

Machine politics also generated electoral costs for the PJ. In predominantly middle-class districts, Peronism became widely associated with

\textsuperscript{49} Peronism’s gains in 1987 and 1989 were facilitated by a sharp decline in support for the Alfonsín government. However, the fact that the PJ faced competition for middle-class votes from the center-left Intransigent Party and the conservative Center Democratic Union suggests that the PJ was more than simply a default option for many middle-class voters.

\textsuperscript{50} For example, Carlos Gervasoni found that at least two thirds of the PJ’s 1989 supporters voted Peronist in 1995, and that defectors tended to be wealthier and more educated (1998, 10–14).

\textsuperscript{51} For a more skeptical view of the impact of Peronist clientelism, see Brusco, Nazareno, and Stokes (2002).
corruption and inefficiency during the 1990s, which left it vulnerable to reformist challenges. This pattern was most pronounced in the Federal Capital, the wealthiest and best-educated district in the country. Though never strong in the capital, the PJ descended to an unprecedented low in the late 1990s, falling from 32 percent of the legislative vote in 1993 to just 9 percent in 1999. More ominously, widespread perceptions of corruption—particularly among the middle and upper-middle classes—contributed to a dramatic rise in public hostility toward the political elite, which was manifested in the massive protests that shook the country in December 2001. These events suggest that the PJ’s strategy of combining media-based appeals in metropolitan centers with clientelist linkages in low-income districts may not be sustainable over time. Through 2003, however, Peronism’s decline in metropolitan centers was sufficiently offset by its success in the peripheral provinces and urban poverty zones for it to remain Argentina’s dominant political force (Gibson 1997; Gibson and Calvo 2000).

Table 5 The PJ’s Electoral Performance in Legislative Elections, 1983–1999

<table>
<thead>
<tr>
<th>Party</th>
<th>1983</th>
<th>1985</th>
<th>1987</th>
<th>1989</th>
<th>1991</th>
<th>1993</th>
<th>1995</th>
<th>1997</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>Justicialista Party (PJ)</td>
<td>38.6</td>
<td>34.9</td>
<td>41.5</td>
<td>44.7</td>
<td>40.2</td>
<td>42.5</td>
<td>43.0</td>
<td>36.3</td>
<td>33.0</td>
</tr>
<tr>
<td>Radical Civic Union (UCR)</td>
<td>48.0</td>
<td>43.6</td>
<td>37.2</td>
<td>28.8</td>
<td>29.0</td>
<td>30.2</td>
<td>21.7</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Democratic Center Union (UCEDE)</td>
<td>1.2</td>
<td>2.9</td>
<td>5.8</td>
<td>9.6</td>
<td>5.2</td>
<td>2.6</td>
<td>3.2</td>
<td>0.6</td>
<td>—</td>
</tr>
<tr>
<td>Front for a Country in Solidarity (FREPASO)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>2.5</td>
<td>20.7</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Alliance for Jobs, Justice, and Education</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>45.7</td>
<td>45.5</td>
</tr>
<tr>
<td>Minor and provincial parties</td>
<td>12.2</td>
<td>18.6</td>
<td>15.5</td>
<td>16.9</td>
<td>25.6</td>
<td>22.2</td>
<td>11.4</td>
<td>17.4</td>
<td>21.5</td>
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<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>


a Big Front (FG) in 1993 and 1994.
b UCR and FREPASO.
c Total includes vote for the UCR and FREPASO in districts in which these parties ran separately.
MACHINE POLITICS AND NEOLIBERAL REFORM

The reconfiguration of the Peronist party-union linkage also contributed to the success of the Menem government’s economic reforms. It did so in two ways. First, de-unionization eliminated a potential source of intra-party opposition to the Menem program. Peronist union leaders were more critical of neoliberalism than non-union party leaders. Table 6 shows the responses of labor members of the PJ National Council, non-union members of Council, and all union leaders to a 1997 survey that asked them to identify with one of the following four statements: (1) The Menem reforms were necessary and should be continued (neoliberals); (2) The reforms were initially necessary but should have been modified after the economic crisis ended (pragmatists); (3) Some reforms were necessary, but Menem went too far or too fast (critics); (4) The reforms should not have been carried out (opponents). As table 6 shows, union leaders were far more critical of the Menem reforms than were non-union party leaders. Whereas only about a third of non-union National Council members could be classified as critics or opponents, about two-thirds of union leaders fell into those categories.

Second, clientelist linkages helped to defuse popular sector protest in a context of economic crisis and neoliberal reform. They did so in several ways. First, in low-income areas, PJ puntero networks distributed a variety of material goods and services and provided channels of access to the state. Local PJ organizations served as “problem-solving networks” (Auyero 2000), obtaining wheelchairs, disability pensions, scholarships, funeral expenses, and odd jobs, as well as street lights, road pavement, and other neighborhood services (Levitsky 2001a, 55-56). A 1997 survey of 112 PJ base units in the capital and Greater Buenos Aires found that 96 percent engaged in some form of social assistance, including food distribution, medical and legal services, child care, and programs for the elderly (Levitsky 2001a, 53). Base units also implemented government social policies. In Buenos Aires province, for example, PJ activists participated actively in the Life Plan, which distributed a daily ration of eggs, milk, and other basic goods to nearly 400,000 people through a network of 10,000 block workers, or manzaneras.

Clientelist networks also provided a degree of social control in urban poverty zones. During periods of crisis, such as the 1989–90 hyperinflation, neighborhood brokers used a combination of persuasion and intimidation (including the physical expulsion of left-wing activists from neighborhoods) to defuse potential protests or riots. The efforts had an important effect. In contrast to the Radical governments that preceded and followed it, the Menem administration never confronted widespread urban rioting or looting.
Finally, research by Javier Auyero (1998, 2000) suggests that the consolidation of clientelistic linkages had an important effect on Peronist identities. During the 1960s and 1970s, unions played a central role in the formation and reproduction of Peronist identities, infusing the movement with a class character (Torre 1983, 12; James 1988, 18). These identities changed significantly in the 1980s and 1990s. As Auyero (2000) has shown, in urban poverty zones, Peronist identities are now more those of “clients” than of workers. Although the Peronist subculture always had a clientelist component, during the 1990s these elements clearly came to predominate over the “oppositionist culture” that once characterized urban Peronism (James 1988; Auyero 2000, 188–200). As one party activist put it,

Peronism is about helping poor people, and that’s what we are doing here. The economic situation is terrible and people are needy. So we give them bags of food, medicine, maybe even a job. That’s what Peronism is all about.52

<table>
<thead>
<tr>
<th>Category</th>
<th>National Council Non-Union Members (N=25)</th>
<th>National Council Union Members (N=14)</th>
<th>National Union Leaders (N=37)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neoliberals</td>
<td>20.0</td>
<td>21.4</td>
<td>8.1</td>
</tr>
<tr>
<td></td>
<td>(5)</td>
<td>(3)</td>
<td>(3)</td>
</tr>
<tr>
<td>Pragmatists</td>
<td>48.0</td>
<td>28.6</td>
<td>21.6</td>
</tr>
<tr>
<td></td>
<td>(12)</td>
<td>(4)</td>
<td>(8)</td>
</tr>
<tr>
<td>Critics</td>
<td>32.0</td>
<td>35.7</td>
<td>48.6</td>
</tr>
<tr>
<td></td>
<td>(8)</td>
<td>(5)</td>
<td>(18)</td>
</tr>
<tr>
<td>Opponents</td>
<td>0.0</td>
<td>14.3</td>
<td>21.6</td>
</tr>
<tr>
<td></td>
<td>(0)</td>
<td>(2)</td>
<td>(8)</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>(25)</td>
<td>(14)</td>
<td>(37)</td>
</tr>
</tbody>
</table>

*Based on author’s survey in 1997.

52. Author’s interview, 26 August 1997.
Such an identity is almost certainly more compatible with a market-oriented program than the “oppositionist” identity associated with class-based Peronist organizations of the past.

CONCLUSION: PERONISM AND THE FUTURE OF WORKING CLASS POLITICS IN ARGENTINA

As Gøsta Esping-Andersen has observed, the fate of contemporary labor-based parties hinges on “how they simultaneously manage working-class decline and the rise of new strata” (1999, 315). Yet European and Latin American labor-based parties differ considerably with respect to the nature of the new strata and the strategies needed to manage them. Whereas most European labor-based parties compensated for the loss of blue-collar votes by making inroads among white-collar sector workers, in most of Latin America these sectors were too small for such a strategy to succeed. To remain viable, Latin American labor-based parties were forced to appeal to the rapidly growing informal sector, a strategy that often entailed replacing class-based linkages with clientelist linkages. Drawing on the case of Argentine Peronism, this article argued that parties with weakly institutionalized linkages to unions were able to adapt more quickly to the challenge of working-class decline than those with institutionalized party-union linkages. When PJ politicians gained access to state resources, which reduced their dependence on unions, they quickly dismantled Peronism’s informal mechanisms of labor participation and replaced union organizations with patronage networks. This transformation allowed the PJ to appeal to a new constituency (middle sector voters) and find new bases upon which to maintain its old constituency (low-income voters).

The longer-term implications of the Peronist transformation remain uncertain. Argentina’s post-1998 economic collapse was accompanied by a profound crisis of political representation. The crisis was made manifest in December 2001, when a massive civic rebellion against the political elite (behind the extraordinary slogan *que se vayan todos*, or “throw them all out”) brought down two presidents in a span of ten days. Although hostility toward the established parties was most pronounced in the (non-Peronist) middle sectors, the crisis nevertheless threatened the PJ on two fronts. First, the profound alienation of the metropolitan middle-class electorate, to which Peronism’s extensive reliance on patronage and clientelism had clearly contributed, raised serious questions about the longer-term viability of the party’s post-industrial adaptive strategy. Second, the emergence of the piqueteros, a movement of poor and unemployed people who blocked roads and highways to demand jobs and protest the government’s economic policies, suggested that the PJ’s popular sector linkages may be eroding.
The *piqueteros* were the most significant lower-class movement to emerge at the margins of Peronism in more than sixty years.\(^{53}\)

As of 2003, however, Peronism had survived, both as an organization and as a collective identity. Unlike Peru and Venezuela, where the collapse of labor-based parties left the working and lower classes without stable mechanisms for political representation or collective political action during the 1990s, the primary political organization of the Argentine working and lower classes remained intact after more than a decade of neoliberal transformation. Whether a machine-based Peronist party can serve as an effective vehicle for channeling working- and lower-class demands, however, remains open to question.

**APPENDIX 1 ACRONYMS AND THEIR COMPLETE NAMES**

- **AD** Acción Democrática
- **CGT** Confederación General de Trabajo
- **CTA** Central de los Trabajadores Argentinos
- **LPEBO** Liga Peronista Bonaerense
- **MTA** Movimiento de Trabajadores Argentinos
- **PJ** Partido Justicialista
- **PRI** Partido Revolucionario Institucional
- **UCR** Unión Cívica Radical
- **UOM** Unión Obrera Metalúrgica

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53. It should be noted, however, that many *piquetero* groups do in fact have ties to Peronism. Given the dependence of many *piquetero* groups on government employment and subsidy programs, the capacity of a future Peronist government to co-opt at least part of the movement should not be underestimated.
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