

## Direct Democracy within Weak Democracies

### *Some Cases from Latin America*

As we encountered in Chapter 4, the use of plebiscites in nondemocratic regimes is typically motivated by the creation or maintenance of the illusion of an existing democratic process (both within and outside the country). Additionally, plebiscites in non-democracies are employed to cement a psychological and emotional bond between the regime and the population through its mobilization. Yet facultative plebiscites and other types of MDDs can also be used by “low intensity” democracies, those that – despite being usually included in the democratic realm by most procedural criteria – present with shortcomings in terms of both horizontal and vertical accountability.<sup>1</sup>

As a rule, the more often facultative (unregulated) plebiscites are used by a given regime, the more evident are the signs that a low-intensity, low-quality democratic life exists in that particular country. However, a plebiscitarian atmosphere in a country is not necessarily due uniquely to the megalomaniacal propensity of a specific leader. Frankly, leaders tend to use all the prerogatives at their disposal to advance their political agendas – this is rational and expected. The question is why leaders have the leeway to use those prerogatives without the checks and balances that characterize a functioning representative democracy.

Although most new, posttransitional Latin American constitutions contain some kind of MDD, the literature shows an evident tension regarding their causes.<sup>2</sup> In short, the question remains open: Is the systematic use of MDDs the cause or the consequence of weak representative institutions? On the one hand, the inclusion of MDDs in constitutional charters in the region and their

<sup>1</sup> Most of the time, these shortcomings are due to the lack of a relatively established and institutionalized party system. On the debate about institutionalization of party systems, see Luna (2007).

<sup>2</sup> Of course, in many circumstances, this openness is no more than a mere declaration of will, given that no law stipulates or articulates how to proceed with the installation or execution of MDDs.

concomitant use seems to be more a corollary of plebiscitarian and delegative (à la O'Donnell) attitudes of governments and leaders rather than of demands from the citizenry “below.”<sup>3</sup> Along these lines, Barczak explicitly argues that “the emergence of direct democracy may be both an indicator of and a cause behind weak representative institutions” (Barczak 2001: 39). She goes further, claiming that provisions for direct democracy in the new constitutions of the continent can be expected under two typical environments: when the reform for the new charter is constrained by those representing traditionally excluded political interests or, when under conditions of political *effervescence*, “traditionally excluded interests mobilize to capture a significant, but not controlling, share of the authority over the reforms-rewriting process” (Barczak 2001: 39).

On the other hand, Barczak’s arguments could be questioned regarding the direction of causality. Whereas she claims that MDDs weaken representative institutions, my point is that weak representative institutions open the door for the use and abuse of MDDs because of the lack of the checks and balances characteristic of representative democracies – in other words, exactly the opposite could be argued. If the directionality of Barczak’s theory is correct, how can we explain the strength of Uruguay’s representative institutions considering that it uses MDDs more frequently than any other country in Latin America? Moreover, nobody can affirm that the Costa Rican plebiscite on the Central America Free Trade Agreement (CAFTA) was the cause of the worrisome decay of the party system in one of the most stable and solid democracies in Latin America and possibly the world.<sup>4</sup>

Barczak’s arguments are appealing but fail the empirical test in at least two respects. MDDs have been in use in Latin America since before the process of constitutional reforms associated with the third wave of democratization. As a matter of fact, all of the countries Barczak includes in her research had MDD experiences before the breakdown of their democracies in the 1970s. Indeed, there are very few instances where her theory holds. Of the nineteen countries that comprise what we traditionally think of as Latin America, only five countries have never used (national and officially recognized) MDDs: the Dominican Republic, El Salvador, Honduras, Mexico, and Nicaragua. All others have experienced some kind of MDD. Of the remaining fourteen that have used MDDs since 1978, only three had not had previous experiences with any of these institutions during the twentieth century. These “newcomers” are Argentina, Costa Rica, and Ecuador. Of those with antecedents prior to

<sup>3</sup> The delegative type of democracy is one wherein “whoever wins election to the presidency is thereby entitled to govern as he or she sees fit” (O’Donnell 1994: 59), virtually unconstrained by horizontal checks and balances such as oppositional parliamentary control or judiciary supervision.

<sup>4</sup> The Costa Rican deinstitutionalization of its party system is a process that has shown signs since the elections of 2002 and even before (Alfaro Redondo 2006; Vargas Cullell 2007; 2008); the concatenation of events is crucial to understanding the phenomenon under consideration.

the third wave of democratization, only two (Cuba and Paraguay) have not employed MDDs at the national level since the late 1970s.<sup>5</sup>

Yet Barczak is right in one respect – most new Latin American constitutions have expanded the scope of direct democracy in their constitutions. Whether this is a consequence of citizens' disaffection or a matter of political fashion is still open for debate. The recent threat and use of plebiscites by presidents such as Chávez, Uribe, and Morales obscures the richer history of direct democracy that academicians and the mass media have in mind. Unlike some negative views of direct democracy advanced by the literature, I claim that the reasons behind the use of direct democracy in most of Latin America obscure a significant deterioration of those critical intermediate institutions that must exist in a given representative regime – namely, political parties and party systems.

### 1. Direct Democracy in Latin America

As shown in Chapter 3, the use of direct democratic devices has clearly increased worldwide, and Latin America is certainly part of this trend.<sup>6</sup> Although the continent has witnessed an augmentation in the use of MDDs, these institutions have generated relatively little interest within the realm of comparative political science, with the exception of a few single-country studies. What is worse, many of these studies are performed from a formal legal perspective, without considering the terminological implications of the categories of direct democracy (Rial 2000; Zovatto 2001; Zovatto, Marulanda, Lizarazo, and González 2004). The consequences of these agendas are evident, the result being an inconsistent and fragmented knowledge of this phenomenon (as discussed in Chapter 1). Before focusing on particular cases, I offer a broad picture of how MDDs have been used in Latin America (I consider just those MDDs after the start of the third wave of democratization in 1978).

In the last thirty years of democratic history in the continent (since those transitions in the Dominican Republic and Ecuador in the late 1970s), Latin

<sup>5</sup> Advocating for democratic political reforms within Cuba in 2002, about eleven thousand Cubans gathered signatures to trigger a constitutional popular initiative based on article 88(g) of the Constitution of 1976. This reformist movement is called the "Varela Project." The Cuban National Assembly's Constitution and Legal Affairs Committee suspended consideration of the Varela Project citizens' initiative and retorted with its own counterinitiative, providing that the Cuban Constitution be amended to make its socialist system of government untouchable (*intocable*). In a three-day marathon, the Cubans had the chance to endorse the legislative initiative and official reports state that 8,198,237 citizens (approximately 99 percent of the total citizenry) did so. But, as a BBC correspondent observed, the "opposition in Cuba has been stifled and many said they felt pressured into signing the petition" (*BBC News*, June 27, 2002). Subsequently, the amendment was unanimously approved by the deputies of the National Assembly in an extraordinary session held June 24–26, 2002. As interesting as these political events are, neither can be considered an MDD based on the definition provided in Chapter 1. Instead, they should be considered cases of legislative popular initiatives. See the full text of the note at <http://news.bbc.co.uk/1/hi/world/americas/2069057.stm>.

<sup>6</sup> With regard to the increased events of MDDs, see also Scarrow (2001) and Setälä (1999b).

Americans have participated in national direct voting more than a hundred times. Whereas some countries are characterized as frequent and recurrent users of MDDs, MDDs in other countries are just emerging and, in some, no MDDs have occurred at all. Of the nineteen countries of the continent, only seven have not had direct experiences of voting since the late 1970s (i.e., Cuba, Dominican Republic, El Salvador, Honduras, Mexico, Nicaragua, and Paraguay). The rest have had at least one experience of an MDD. However, only four countries in the region have experience with some form of CI-MDDs (i.e., Bolivia, Colombia, Uruguay, and Venezuela).

Although the spirit of popular initiative is incorporated into most Latin American constitutions, in most countries it is not more than a simple declaration of principles (i.e., is not regulated), and it is binding only in Colombia, Costa Rica, Paraguay, Uruguay, and Venezuela (Breuer 2009b). In most of these countries, the initiatives may not refer to tax or budgetary matters, and the signature threshold ranges between 5 percent of the census in Colombia and Costa Rica to 10 percent in Uruguay. However, in some countries, this mechanism is filtered by another institution (Congress, in most cases) that decides whether or not to proceed with the measure (e.g., Brazil, Guatemala, Nicaragua, and Peru).

Referendums also present important variations. Although they have been used only in Uruguay, there are constitutional provisions for them in Colombia, Costa Rica, and Venezuela. (In other countries they are just mentioned, but the constitutions do not specify the terms of their implementation.) The number of required signatures ranges from 5 percent of the electorate in Costa Rica to 25 percent in Uruguay. There are also requirements in terms of the time limits to gather signatures. The quorum is similar to popular initiatives.

Table 5.1 shows how different types of MDDs were used across countries in Latin America during the past thirty years. Within this universe, those “from above” constitute 85 percent of cases (of these, 54 percent are binding plebiscites, 21 percent are consultative plebiscites, and 25 percent are mandatory plebiscites). Only 15 percent of cases were initiated by citizens (of these, 56 percent responded to popular initiatives and consultative initiatives and 44 percent to referendums). Indeed, of these 15 percent, about 81 percent are concentrated in one country, Uruguay, which undoubtedly has the longest experience with direct democracy, dating back to the early twentieth century.

Table 5.1 also provides information about when the vote occurred, how many issues were in dispute, and how many were approved. For example, the first MDD shown in this table was conducted in Argentina under the administration of Raúl Alfonsín in November 1984, who, as we noted, sought the support of Argentine citizens on the Beagle negotiations with Chile. The vote was on a single issue and was approved. In the same column (consultative plebiscites), we found cases such as that of Ecuador in 1995, where a comprehensive questionnaire of eight MDDs occurred and none was approved (eight and zero, respectively).

TABLE 5.1. *National Mechanisms of Direct Democracy in Latin America (1978–2009)*

	Mandatory Plebiscites			Facultative Plebiscites (Consultative)			Facultative Plebiscites (Binding)			Popular Initiatives			Referendums			Events	Votes	Apro.	Aprox. Rate (%)
	Is.	Ap.	Date (dd-mm-yyyy)	Is.	Ap.	Date (dd-mm-yyyy)	Is.	Ap.	Date (dd-mm-yyyy)	Is.	Ap.	Date (dd-mm-yyyy)	Is.	Ap.	Date (dd-mm-yyyy)				
ARG				1	1	(25-11-1984)										1	1	1	100.0
BOL	2	2	(25-01-2009)				5	5	(18-07-2004)	1	0	(02-07-2006)				4	9	8	88.9
BRA							1	1	(10-08-2008)										
							2	2	(21-04-1993)							2	3	2	66.7
							1	0	(23-10-2005)										
CHI	1	1	(11-09-1980)				1	1	(04-01-1978)							4	4	3	75.0
	1	1	(30-06-1989)				1	0	(05-10-1988)										
COL							15	1	(25-10-2003)	1	1	(27-05-1990)*				4	18	4	22.2
							1	1	(09-12-1990)	1	1	(26-10-1997)*							
CRI							1	1	(08-10-2007)							1	1	1	100.0
ECU	1	1	(15-01-1978)	1	0	(02-06-1986)	3	0	(26-11-1995)							9	39	26	66.7
	1	1	(28-09-2008)	7	6	(28-08-1994)	14	14	(25-05-1997)										
				8	0	(26-11-1995)	1	1	(15-04-2007)										
				3	3	(26-11-2006)													
GUA	1	1	(30-01-1994)													2	5	1	20.0
	4	0	(16-05-1999)																
PAN	1	0	(15-11-1992)				1	1	(24-04-1983)							4	4	2	50.0
	1	0	(30-08-1998)																
	1	1	(22-10-2006)																
PER							1	1	(31-10-1993)							2	2	1	50.0
							1	0	(30-10-2005)										
URY	1	0	(30-11-1980)							1	1	(26-11-1989)	1	0	(16-04-1989)	16	18	7	38.9
	1	0	(28-08-1994)							2	1	(27-11-1994)	1	1	(13-12-1992)				
	1	1	(08-12-1996)							1	1	(31-10-2004)	1	0	(17-06-1998)				
	2	0	(31-10-1999)							1	0	(25-10-2009)	1	0	(20-09-1998)				
	1	0	(25-10-2009)										1	0	(18-02-2001)				
													1	1	(05-08-2002)				
													1	1	(07-12-2003)				
VEN	1	1	(15-12-1999)				2	2	(25-04-1999)	1	0	(15-8-2004)**				6	8	5	62.5
	2	0	(02-12-2007)				1	1	(03-12-2000)										
	1	1	(15-02-2009)																
Total	24	11	45.8%	20	10	50.0%	52	32	61.5%	9	5	55.6%	7	3	42.9%	55	112	61	54.5%

Note: Cuba, El Salvador, Honduras, Mexico, Nicaragua, Paraguay, and the Dominican Republic have never held an MDD during the considered period.

\* Consultative popular initiative.

\*\* Chávez's recall is included as a popular initiative.

Source: Author's database/CaD-Research and Documentation Centre on Direct Democracy, <http://www.c2d.ch/>; Keesing's Records of World Events, <http://keesings.gvpi.net/>; Suchmaschine für direkte Demokratie, <http://www.sudd.ch/index.php?lang=de>.

It is interesting to note that among the different types of MDDs, rates of approval are not as different as one might anticipate, with acceptance averages between 40 and 60 percent. To estimate approval rates more accurately, I calculated the average for the two major families of MDD, those from above and those initiated by the public. For the first, the average is 54.2 percent, and for the latter, it is about 50 percent. The slim difference indicates that they may not be as terribly manipulated as part of the literature suggests. In fact, if Lijphart was correct when he argued that “when governments control the referendum, they will use it only when they expect to win” (1984: 204), it is logical to expect governments to win much more than in the previously presented figures (Altman 2005). This is just a sign of how complicated the game of direct democracy – in a context of approval of slightly more than 50 percent of MDDs from above – can be.

Contrary to what happens elsewhere, the subjects of MDDs rarely deviate from institutional design or contingent politics. This overarching theme constitutes almost two-thirds of all MDDs in the reviewed period. Almost 50 percent ( $n = 53$ ) of MDDs were related to reforms of institutional redesigns (topics ranging from the extension of mandates and presidential reelection [Venezuela in 2008], type of presidential election [Uruguay 1996], and legal status of parties in Congress [Ecuador 1997], among others). Also, within this group, which constitutes almost two-thirds of all MDDs, a subgroup of votes stands out because they seek the formation of Constituent Assemblies ( $n = 7$ ) (e.g., Colombia 1990; Ecuador 1997, 2007; and Venezuela 1999).<sup>7</sup> Finally, among these countries are those that constitute a vote that expresses in one way or another (dis)trust in the previously elected authorities ( $n = 6$ ) (i.e., Ecuador 1997, Venezuela 2004, and Bolivia 2008).

Whereas the rest of the MDDs form a sort of thematic potpourri, the presence of votes related to some basic services traditionally provided by the state, such as pensions and education, is distinct ( $n = 20$ ). These are also accompanied by votes on diverse fields, as telecommunications, infrastructure, water, electricity, and health. Notably, nine of these twenty MDDs were conducted in Uruguay and the rest in Ecuador, Colombia, Bolivia, and Panama. As we will see in the following chapters, in Uruguay, most of these MDDs were initiated by unions of public enterprises to curb a possible process of privatization or outsourcing of these companies or by one of the most important lobbies in the country, the National Organization of Retirees and Pensioners (ONAJPU), which comprises approximately 28 percent of the national electorate. Indeed, in these opportunities, the mobilizing force of the main opposition’s party (Frente Amplio) had a leading role in the vast majority of popular initiatives and referendums.

In Costa Rica, there was a crucial authorities’ plebiscite conducted to check for popular support for a free trade agreement (FTA) between a group of small Central American countries and the United States. Perhaps this is the

<sup>7</sup> See also Breuer (2007).

best example of how direct democracy can be used to bridge deep cleavages between state powers (executive versus legislative). In this opportunity, the presidential position of allying with the FTA prevailed by a slim margin. In Brazil, despite its immense experience with other types of citizen involvement in public affairs – as in the world-famous example of participatory budgeting in Porto Alegre – the limited experience with direct democracy is still restricted to a few legislative plebiscites.

CI-MDDs have been scarce in the region in the last ten years, and with the exception of Uruguay, there have been only two instances of this type of MDD in the region: the Venezuelan presidential recall of 2004 and the Bolivian autonomic initiatives of 2006. In the Bolivian case, the popular initiative triggered a series of nonrecognized popular initiatives that have allowed conservative nationalistic groups to challenge the geographic boundaries of the country. With the exception of tiny Uruguay, CI-MDDs are almost nonexistent in the region, and even in this country of 3.3 million people, they face problems.

Except for the aforementioned examples, all uses of direct democracy have been plebiscitarian (i.e., coming from the authorities), and most of the time they have had the simple objective of institutional change for increasing or retaining power. Therefore, direct democracy has been mainly used against the basic normative ideal of empowering people. Overall, important lessons can be drawn from these miscellaneous experiences – experiences that generate a fertile background for checking important implications of theory on practical issues.

How can we compare and systematize the uses of MDDs in different countries? One way to grasp the degree of a country's experience with direct democracy (considering only the national level) is to multiply the number of times citizens have had to vote in this type of election by the number of questions decided. Of course, this provides only a small illustration of how acquainted citizens are with direct democracy. To operationalize this proxy, I consider, following Vatter (2007), a consultative MDD to be worth half the weight of a binding MDD. In a way, consultative MDDs are merely opinion polls, and the political leverage they exercise is less than that of binding MDDs.

Operationalizing direct democracy experience in this way, the continent is led by Uruguay (with a score of 288), followed by Ecuador (138), Venezuela (48), Colombia (34), Bolivia (36), Chile and Panama (16), Guatemala (10), Brazil (6), Peru (4), Costa Rica (1), and Argentina (0.5). For example, Ecuador reaches 138 because twenty issues were decided on five occasions (twenty times five equals one hundred) and nineteen issues in four nonbinding decisions (nineteen times four divided by two equals thirty-eight). Despite this measure providing a glimpse of the direct democratic experienced by a country, it should not be concluded that Uruguay has 288 times more experience than Costa Rica, given the exponential shape that this operationalization produces. Figure 5.1 shows the weighted experience of each country on the continent regarding MDDs.

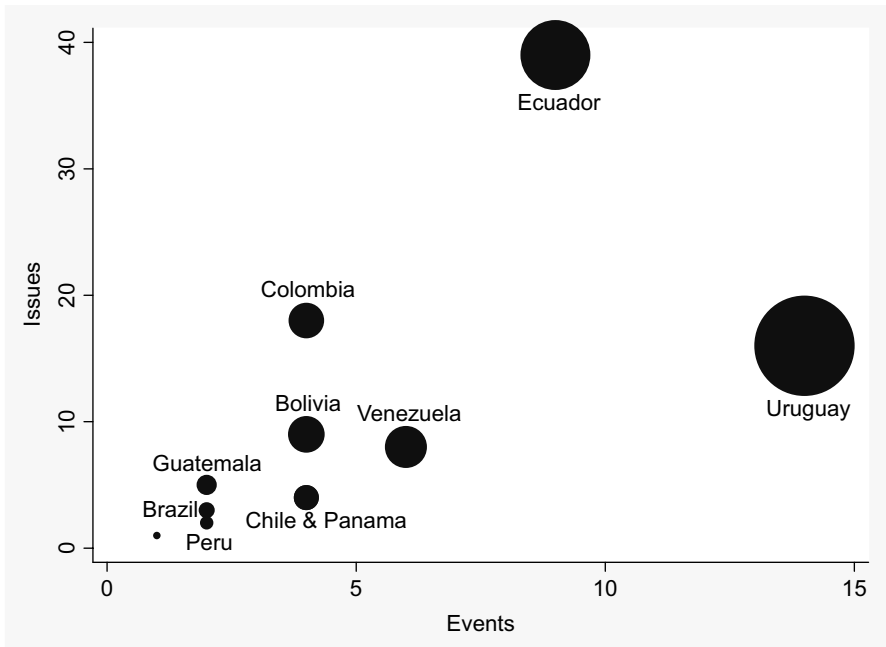


FIGURE 5.1. Measuring Experience with Direct Democracy in Latin America by Country (since 1978).

Although Ecuador and Uruguay are the frontrunners on the continent with respect to the systematic use of direct democracy, its use appears to be different in the two small countries. The former excels for having used omnibus questionnaires triggered by the executives, whereas the latter has not experienced this type of MDD. Uruguay stands alone for having primarily used citizen-initiated channels for direct democracy and for its limited use of mandated plebiscites. Indeed, in Uruguay, the executive power cannot use facultative plebiscites at all. Based on the previous index of direct democracy experience, in the following pages I present a succinct description of how MDDs have been used in Ecuador, Bolivia, Colombia, and Venezuela (I do not include Uruguay because it is the subject of Chapters 6 and 7).

#### *a. Ecuador*

Ecuador is one of the more experienced employers of direct democracy in Latin America. Yet the uses of these mechanisms are certainly far from the virtuous circle direct democrats would dream of; instead, they epitomize a desperate search by presidents for the legitimation of their policies and, more crudely, themselves. This country, perhaps more than any other in the region, epitomizes most the clichés of the maladies of Latin American democracies (e.g., political fragmentation and cronyism; presidential isolation; inability to build stable



governing coalitions; distrusted Congress, political parties, and Justice Department; regional disparities; embedded poverty; and classism). Despite the fact that Ecuador is currently experiencing the longest period of democratic stability since its independence, such is the erratic evolution of its democracy, which, if plotted against time, looks more like an electrocardiogram than anything else. Three elected presidents (i.e., Bucaram, Mahuad, and Gutiérrez) were ousted, and their respective interim replacements (i.e., Alarcón, Noboa, and Palacios) did not have smooth administrations.

The plebiscite of January 1, 1978, constitutes the first evident political event in South America in the transition to democracy. Months before the plebiscite, the military junta (*Consejo Supremo de Gobierno*) created three committees, each in charge of a specific theme: 1) preparation of a new draft constitution of the republic; 2) development of a project for the reform of the political constitution of 1945; and 3) development of the electoral law, law of political parties, and a referendum act. The plebiscite of 1978 was passed between constitutions – one of which was newly proposed and the constitution of 1945 (Morales Viteri 2008).

The military was proud of the reform because it helped them to maintain certain power positions and prerogatives (e.g., at the national oil company and social security institute). Also, the junta was quite aware of the country's imminent economic collapse (a crisis that later impacted the Roldós–Hurtado presidency). In the end, this plebiscite implied a political agreement between the military, the political elite of the country, and some social groups (mostly workers' unions). "We give up the state and its institutions, but you will not try us for human rights violations," the military may well have said.

After the transition governments of Roldós and Hurtado, León Febres Cordero assumed office in 1984, and his popularity plummeted from the first day, in part because of his very conflicted relationship with Congress. His government was perceived as an authoritarian government, embroiled in scandal and major human rights violations. To mobilize and legitimize his presidency, Febres Cordero resorted to a consultative plebiscite with the excuse that a minor electoral aspect of those Congress members who were independent had run outside the traditional party's slates. Of course, the plebiscite, on June 2, 1986, was not perceived as a proposal for citizen participation in public decisions but as a legitimating tool for the government (Morales Viteri 2008).

From 1988 to 1992, Ecuador seems to have begun a period of institutional tranquility under the government of Rodrigo Borja of *Izquierda Democrática*. A simple indicator was the stability of Borja's cabinet during those four years (turnover in ministerial posts was minimal, and no attempt was made to use any sort of plebiscitarian tool). Yet this stability was short-lived. President Sixto Durán Ballén (1992–1996) of Partido Unidad Republicana used MDDs in a fashion similar to that of Febres Cordero. On August 28, 1994, the citizenry was consulted on seven different subjects of constitutional reform. Despite participation of only an approximate 40 percent of the electorate, the triumph of the government was overwhelming and wisely capitalized on by Durán.

Nonetheless, one year later, after a large corruption scandal involving Durán Ballen's vice president, Alberto Dahik, the president sought to bolster his image and advance his power in relation to a rather difficult and atomized Congress. He was confident that the triumph of 1994 could be reattained relatively easily, but he was wrong. In November 1995, Ballen posed eleven questions to the citizenry; the first eight were consultative, the last three binding. The range of questions was broader than those of the year before, and among all the questions, the most contentious issue was the proposal to allow the president to dissolve Congress (Breuer 2008b: 12). This omnibus consultative plebiscite was a disaster for the president's interests.

President Abdalá Bucaram's victory of 1996 is one of the few known examples of "outcome inversions," one of the crucial ingredients for a crisis between the branches of government (Pérez-Liñán 2007).<sup>8</sup> As explained by Pachano (1997), the president's "majority" was more of a negative coalition hostile to the Social Christian candidate who had prevailed in the first round (Pérez-Liñán 2000). In February 1997, the Ecuadorian unions opened a series of nationwide strikes opposing Bucaram's aim to liberalize the economy and eliminate subsidies for public services and prices. Under this stressful state of affairs, Congress reacted to the mass manifestations by impeaching President Bucaram on the justification of "mental incapacity" (Breuer 2007). Congress passed the measure with a simple majority instead of the two-thirds required by the constitution and appointed congressional chairman Fabián Alarcón in his place, bypassing the sitting vice president Rosalía Arteaga and, in so doing, bypassing the constitutional mandate (Pérez-Liñán 2007). At the time, Ecuadorians witnessed a severe constitutional crisis accompanied by high levels of civil unrest (Freidenberg 2006).

On May 25, 1997, the new interim yet weak president of Ecuador, Alarcón, sought to legitimize his presidency (and the maneuver for ousting Bucaram by Congress) through a plebiscite that consisted of fourteen somewhat related questions (Breuer 2007). The outcome gave a clear vote of confidence to Alarcón, with a participation level of about 60 percent and an average support level of 65 percent. As had become typical in Ecuador, chaos would not be postponed for long. Between 1998 and 2005, Ecuadorians witnessed one of the most politically volatile periods they had ever suffered. Two presidents were ousted by rather different coalitions and motivations (i.e., Jamil Mahuad and Lucio Gutiérrez). The final punch to the already-agonizing party system arrived with the elections of 2006.

The national elections of 2006 exemplify the collapse of the party system in Ecuador (Machado 2008). Rafael Correa of *Alianza País* was elected in November 2006, winning 57 percent of the vote in a runoff against Álvaro Noboa of the Partido Renovador Institucional Acción Nacional (PRIAN). Concomitantly with the presidential runoff, a series of relatively marginal questions was

<sup>8</sup> For Pérez-Liñán, an outcome inversion occurs when the victorious president in the runoff is not the one with the largest vote in the first round (2006: 136ff).

placed on the ballot (Machado 2007). Correa's platform for victory was rather simple: reform of the constitution and launching a constituent assembly for that purpose.

Correa, very much a political outsider, ran for the presidency even without any legislative ballot of his own. As soon he was elected, he triggered a plebiscite that called for a constituent assembly in April 2007. This act passed with the support of more than 85 percent of voters and with a relatively high participation of approximately 70 percent. Like most constituent assemblies, it suspended the sitting Congress and began to draft a new constitution in November 2007.<sup>9</sup>

The process of installing the constituent assembly encompassed a notably cumbersome fight between the president and the opposition camp. Spelling out the process goes beyond the scope of this research, but detailed analyses are found elsewhere (Machado 2008). Nonetheless, as Machado points out, in fewer than nine months, President Correa shifted to a system operating under the unfettered control of a fully empowered constitutional assembly.

On September 28, 2008, the new constitution (a product of the deliberations in Ciudad Alvaro) was presented to the citizenry. The relatively short electoral campaign (the draft constitution was approved in July 2008) pivoted around three major points: the joy that represents "opting for the change," the fear of losing all of the social benefits established by this regime, and, from the official standpoint, the anger of groups that would lose their benefits if the new constitution was ratified. From the government's perspective, "no" votes, abstentions, and annulling the vote were the same: They all meant a return to instability and chaos. The new constitution was approved by 69.4 percent, with a participation rate of 75.8 percent of the electoral body (Table 5.2).

### *b. Colombia*

Unlike its neighbor, Ecuador, Colombia has a surprisingly stable constitutional order accompanied by an extremely violent society in which non-state armed groups (i.e., guerrillas, paramilitaries, and drug traffickers) deny the state the monopoly of coercion over the national territory. Colombia is one of the few countries in Latin America (along with Costa Rica and Venezuela) that did not have a military regime in the last half-century, and within the political science comparative literature, it stands out because it has one of the most stable and older party systems worldwide (Mainwaring and Scully 1995b). It is also unique for having had an electoral and governing coalition between the two major parties of the country, liberals and conservatives, between 1958 and 1974 (the National Front). With regard to the Frente Nacional, two facts are relevant: 1) its instauration was approved in a constitutional plebiscite in 1957 under the military government headed by Gustavo Rojas Pinilla, and in that plebiscite, 2) the citizenry renounced the right of becoming the constituent

<sup>9</sup> For a useful conceptual framework for analyzing the constitution-making process and its relationship with direct democracy, see Mendez and Triga (2009).

TABLE 5.2. *Mechanisms of Direct Democracy in Ecuador (since 1978)*

	Questions	Yes (%)	No (%)	Turnout (%)	Affirmative/Registered
Sep. 28, 2008	Approval for the New Political Constitution of the Republic drafted by the constituent assembly	69.46	30.54	75.81	48.40
Apr. 15, 2007	Approval for convening of a constituent assembly with full powers to transform the institutional framework and develop a new state constitution	86.80	13.20	71.31	58.27
Nov. 26, 2006	Agreement with the Ten-Year Plan (2006–2015) for education to be regarded as state priority for public-sector investment	91.59	8.41	74.24	49.78
	Agreement that the National Congress should, within five months, debate and approve legislation to: a) target adequate resources to ensure the prevention and care of diseases; b) increase by 0.5 percent per annum the participation of health in relation to GDP until 2012 or until it reaches at least 4 percent of GDP	89.60	10.40	73.95	48.87
	Agreement that the National Congress should, within five months, issue laws aimed at ensuring that oil resources higher than budgeted should be aimed for social investment and revitalizing production	88.63	11.37	73.94	47.48
May 25, 1997	Dismissing President Abdalá Bucaram	75.76	24.24	59.25	36.12
	Fabián Alarcón Rivera for president during a transitional period lasting until August 10, 1998	68.37	31.63	59.22	32.53
	Creating a constituent assembly	64.58	35.42	59.19	27.63
	Popular election of a constituent assembly <sup>a</sup>	59.85	40.15	59.12	21.10
	Spending limits for campaigns	69.87	30.13	59.21	29.02
	Voting process: possibility of modifying the list of candidates	48.27	51.73	59.13	16.99
	Presidential elections in one or two rounds*	61.30	38.70	59.13	21.32
	Striking parties from the register that failed to reach 5 percent twice in a row	68.45	31.55	59.20	27.46
	The Supreme Court consisting of representatives of the most influential parties	58.67	41.33	59.17	23.12
	Parliament appointing the leadership of the state enterprises by a two-thirds majority	50.75	49.25	59.16	19.94
	Modernization of the Justice	60.73	39.27	59.14	23.96

*(continued)*

TABLE 5.2 (continued)

	Questions	Yes (%)	No (%)	Turnout (%)	Affirmative/Registered
Nov. 11, 1995	Appointment of the judicial authorities by the Supreme Court	55.97	44.03	59.14	21.95
	Dismissal of any elected official who breaks the law	60.25	39.75	59.13	23.44
	Parliament implementing the reforms within sixty days	66.88	33.12	59.11	25.98
	Equal distribution of public spending among the provinces	44.94	55.06	58.63	20.34
	Judicial reforms	44.53	55.47	58.64	20.10
	Privatization of social insurance	39.68	60.32	58.64	18.25
	Abolishing the right to strike in the public sector	39.69	60.31	58.62	18.00
	President's authority to dissolve parliament	39.69	60.31	58.62	18.00
	Four-year terms for local authorities	39.95	60.05	58.65	18.46
	Two-year terms for president and vice president of Parliament	43.17	56.83	58.66	19.87
	The president must implement these constitutional reforms within ninety days	43.57	56.43	58.63	19.93
	Decentralizing the social and health authorities	40.18	59.82	58.67	18.03
	Legal guarantees for civil servants	43.94	56.06	58.63	20.41
	Appointing a Constitutional Court	39.77	60.23	58.65	17.88
Aug. 28, 1994 <sup>b</sup>	Revision of the constitution through Parliament	59.07	40.93	62.31	24.75
	Passive right to vote for non-party members	65.03	34.97	62.33	28.16
	Administration of the state budget through parliament	16.60	83.40	62.26	7.05
	Dividing the budget along districts or subject matters	54.03	45.97	62.30	20.15
	Unrestricted reelection for every post	52.77	47.23	62.30	22.30
	Parliamentary elections in the first or second round	55.73	44.27	62.28	21.13
June 2, 1986	Recognizing citizens of double nationality	72.83	27.17	62.29	32.70
	Agreement that independent citizens have the right to be elected without being affiliated with any political party?	30.51	69.49	64.43	16.11
Jan. 15, 1978	Approval of a new constitution draft	57.20	42.80	86.73	37.27

<sup>a</sup> Yes = simple direct popular election, No = partial appointment through private and public bodies.

<sup>b</sup> Data on registration from Idea International, <http://www.tse.gov.ec>.

for reforming the constitution, giving that right exclusively to the National Congress (Thomas Acuña 2007).

By the late 1980s, Colombians witnessed an apex in violence; constant failures of peace agreements among the state, the guerrillas, and the paramilitaries; a concomitant crisis within the political and party system; and an incredibly fragile economic situation. In the general elections of 1990, an amorphous social movement (led by the student unions of the country) succeeded in including an informal ballot calling for a constituent assembly to reform Colombia's archaic constitution. Massive support for the measure via opinion polls and pushes for inclusion of the ballot in their vote pushed the establishment to count the votes of the initiative. Then, in a legally questionable measure, the Supreme Court of Justice declared the initiative retrospectively binding.

The constituent assembly of 1991 signaled the end of bipartisan Colombia and the beginning of a complete metamorphosis of the country's party system (Bejarano and Pizarro 2005). The new electoral laws included in the charter – approved in two discussions of Congress in the same year – triggered the emergence of a multiplicity of political parties and movements whose result was a chaotic and unmanageable party system with serious implications for partisan discipline and cohesion (Rodríguez Raga and Botero 2006: 139).

At the brink of a complete collapse of the party system, Alvaro Uribe, a former member of the Liberal Party running as an independent based on the discourse typical of a political outsider (against politicians, politics, corruption, and the functioning of the institutions) won by a landslide, representing a clear conservative shift in the Colombian electorate (toward law, order, [neo]liberal economic orientation – everything that, for him, fit under the banner of the “democratic peace”). Uribe's platform underlined a refoundation effort calling for reform against the *corrupción y politiquería*, and there was no better way of achieving this than calling for a national plebiscite that would legitimize his tough policies, especially the abolition of “long-established personal privileges of legislators as well as the suppression of traditional pork barreling and vote buying practices” (Breuer 2008a).

Given that the executive authorities in Colombia cannot call for an ad hoc vote on matters of particular importance without the consent of the entire ministerial cabinet and the approval of the senate (article 50 of Law 134 of 1994), a painful negotiation with Congress began. Uribe softened the tone of his first draft to obtain legislative support. Whereas for Breuer this constitutes the “sole case of a reactive referendum [in my typology, plebiscite] triggered by the legislature on an executive proposal” (Breuer 2007: 567), this interpretation deserves further scrutiny.

Any time an executive sends a proposal to the legislature, it is likely to suffer some modification. In October 2003, just one year after being elected, Uribe successfully sent fifteen questions to the citizenry, including some hot-button economic and political reforms. Despite each question being written in a manner that was amazingly favorable to Uribe's interests, just one out of fifteen achieved the participation quorum for being legally binding (25 percent of the

electorate). Regardless of this failure, Uribe advanced his agenda of austerity measures and political reforms, which included an FTA with the United States and enjoyed comfortable majorities in Congress.

Uribe's approach to conflict explains, at least partially, why he sustains constantly high popular approval ratings. In May 2006, Uribe was reelected for a consecutive term, and his second administration has had a constant presence in major newspapers all over the world because of its international implications. In March 2008, a Colombian cross-border strike into Ecuador that killed senior Revolutionary Armed Forces of Colombia (FARC) rebel Raúl Reyes sparked a diplomatic crisis with both Ecuador and Venezuela. Five months later, the successful rescue of fifteen hostages from the clutches of the FARC boosted Uribe's popularity to the unprecedented level of 90 percent of the Colombian electorate.

Such is the bandwagon effect of Uribe's presidency that more than 5 million signatures (5,021,873) were presented to the electoral authorities for a constitutional popular initiative that would allow him a second immediate reelection (third consecutive mandate).<sup>10</sup> The campaign took fewer than three months, and important questions have been raised with regard to the financing sources for such a campaign. These questions are justified by the presumably intimate relationship between drug trafficking and politics in the country. Evidently, the campaign cost significant sums of money, and there is no imaginable way of gathering an average of sixty thousand signatures a day (seven thousand signatures per hour!) without potential funding by traffickers. The speaker of the campaign for Uribe's reelection, Luis Guillermo Giraldo, stated that the signatures were gathered without the consent of President Uribe, though it is also true that Uribe did not deauthorize the campaign (*El Tiempo*, August 12, 2008).

In late February 2010, the Colombian Constitutional Court refused to allow a popular vote that would have decided whether President Uribe could run for a third consecutive term. Although Uribe enjoyed one of the highest approval rates of any Latin American president, seven of nine members of the court refused to accept the proposal because of clear procedural errors in the gathering of signatures supporting the popular vote as well as because of significant doubts concerning the constitutionality of the proposal itself (Table 5.3).

### *c. Bolivia*

Bolivia constitutes a special case within the study of direct democracy in weak democracies. In this country, executives and local authorities have repeatedly

<sup>10</sup> These numbers notably exceed the required threshold (5 percent of the electoral register, or about 1.5 million) for signatures needed to trigger a popular initiative. As a note, the signatures were delivered to the *Registraduría* in two armored vehicles and escorted by the national police. Each of the 5 million signatures had to be checked in one month and for that purpose, more than eighty full-time workers were designated at a cost of about U.S.\$500,000.

TABLE 5.3. *Mechanisms of Direct Democracy in Colombia (Since 1978)*

	Questions	Yes (%)	No (%)	Turnout (%)	Affirmative/Registered
Oct. 25, 2003	Q1: Ban from holding public office any person previously convicted on corruption charges	93.33	6.67	25.11	23.43
	Q2: Introduction of nominal vote in Congress	94.35	5.65	24.82	23.42
	Q3: Abolition of substitute legislators	93.27	6.73	24.97	23.29
	Q4: Active participation of Congress, regional assemblies, and municipal councils in formulation and control of national budget	86.52	13.48	24.52	21.22
	Q5: Handing over the administrative functions of the legislature to an independent private or public independent body	93.60	6.40	24.16	22.61
	Q6: Dissolution of the 263-seat bicameral congressional body and convocation of new elections for a unicameral 150-seat body	93.00	7.00	22.85	21.26
	Q7: Strict ethical codes to govern the National Congress and regional and municipal councils (e.g., revocation mandate in case of reiterated absence from plenary sessions, infraction of campaign finance norms, vote buying, etc.)	94.71	5.29	22.76	21.55
	Q8: Limit public-sector salaries and pensions at a maximum of twenty-five minimum wages	90.06	9.94	24.82	22.35
	Q9: Abolition of municipal auditing authorities	90.57	9.43	24.48	22.17
	Q11: Prohibition of public budgetary allocations to specific projects promoted by legislators	93.57	6.43	24.36	22.80
	Q12: Destination of savings from abolition of municipal auditing offices and <i>personerías</i> to public education projects	93.87	6.13	24.09	22.61

*(Continued)*



TABLE 5.3 (continued)

	Questions	Yes (%)	No (%)	Turnout (%)	Affirmative/Registered
	Q13: Reallocation of royalty transfers to educational services (53 percent), water and sanitation projects (36 percent), and national pension funds of the respective territorial units (7 percent)	93.39	6.61	24.68	23.05
	Q14: Two-year freeze on operational spending in addition to a cap on public-sector pension and salary outlays, which exceed two minimum wages	80.28	19.72	24.38	19.57
	Q15: Introduction of a 2 percent threshold as requirement for legal registration of political parties	91.06	8.94	23.91	21.77
	Q18: Immediate legal enforcement upon promulgation of all reforms except numeral 6	93.71	6.29	23.31	21.84
Oct. 26, 1997	“I vote for Peace, Life, and Freedom”	91.49	8.51	47.88	43.81
Dec. 09, 1990	Appointment of the constitutional board (Because the Supreme Court had declared the results of student unions initiative legally binding, the newly elected President Gaviria decided to reinforce the legitimacy of the constitutional board by ratifying the results of the election to this body via a referendum.)	97.58	2.42	26.06	20.99
May 27, 1990	Convocation of a constitutional assembly (initiated by the student movement <i>Septima Papeleta</i> and later declared binding by the Supreme Court)	95.79	4.21	43.49	37.67

used MDDs; however, their use has exacerbated imbedded problems rather than deactivating them.

Bolivia is the poorest country in South America and one of the poorest in the world (more than 65 percent of its population lives below the national poverty line). Economic chaos, including high levels of hyperinflation and problems of political legitimization, characterized the first postauthoritarian governments of Bolivia. The government of Hernán Siles Zuazo from 1982 to 1985 faced severe obstacles in its attempts to stabilize the impoverished economy of Bolivia, where the hyperinflation rate reached 26,000 percent from 1984 to 1985. Two phenomena are germane to understanding the use of MDDs in the country: Presidential Decree 21,060 and the Law of Popular Participation of 1994. Both have fueled strikes, blockades, work stoppages, hunger strikes, marches, and takeovers, which in a way are the background noise of the chaos in which Bolivia seems immersed.<sup>11</sup>

In the early 1990s, Bolivia not only engaged in a radical structural liberalization program that served as an important testing ground for international organizations (Kohl 2002)<sup>12</sup> but also began one of the most comprehensive political reforms in area of decentralization in Latin America in the last twenty years. The Popular Participation Law, *Ley de Participación Popular* (LPP), approved in Congress on April 20, 1994, subdivided Bolivian territory into 314 municipalities, each of which was each given a per-capita share of national resources.<sup>13</sup> As Lee Van Cott clearly demonstrates, “the LPP was in part a response to the failure of the political parties to integrate society and to aggregate and channel its demands” (2000: 170), and the consequences of such drastic reform are more evident today than ever.

Later known as the Gas War (*La Guerra del Gas*), a series of conflicts during October 2003 caused dozens of deaths and led the country to an absolute tragedy, fostered by President Sánchez de Lozada’s idea of exporting Bolivian

<sup>11</sup> Early in 2000, the city of Cochabamba experienced the *Guerra del Agua* (Water War) because of the privatization of the public service of drinking water in the city and the authorization to raise tariffs from 40 to 300 percent. On this war, see Daroca Oller (n.d.).

<sup>12</sup> Paz Estenssoro from the *Movimiento Nacionalista Revolucionario* become president for the period of 1985 to 1989, and very early in his administration (August 29, 1985), he approved the Decree *Nueva Política Económica* (NPE) – New Economic Policy (Decree 21,060). This decree meant a liberalization of the economy, the “ascendance of the private sector as the central actor in economic development, recuperation of state control over key state enterprises that had been captured by factional cliques and labour groups” (Gamarra 1997: 373). As Mayorga states, it is interesting to note that the Decree 21,060 was the first structural adjustment program in Latin America to be carried out under democratic conditions (1997: 146).

<sup>13</sup> Known as the principle of coparticipación (coparticipation), 20 percent of national state expenditure is now disbursed among the local governments (municipalities) on a per-capita basis. Indigenous, peasant communities (*campesinos*), and neighborhood organizations gained legal status as formal representatives of their constituent populations through Grassroots Territorial Organizations (OTB). The OTBs from a single canton elect representatives for a municipal Vigilance Committee (*Comité de Vigilancia*, CV), whose role is to oversee municipal expenditures and budgets (Altman and Lalander 2003).

gas to the United States through Chile. This action touched deeply on two elements that, in combination, were explosive, reviving years-long anti-Chilean resentment by the historic maritime claim (Arrarás and Deheza 2005) and the flag of the Bolivian revolution of the 1950s (Mayorga 1997). By the end of that month, Sánchez de Lozada was forced to resign and flee the country. Carlos Mesa (the former vice president) was invested by Congress to finish Lozada's mandate. To deactivate the so-called *Octubre Negro* conflict, Mesa called for a binding national plebiscite on the gas policies of Sánchez de Lozada, calling for a constituent assembly and reforming the hydrocarbons law (*Ley de Hidrocarburos*).<sup>14</sup>

On July 18, 2004, Bolivians were asked five questions that basically amounted to whether gas should be exported; if the state should regain control of the gas sector, which was opened up to private investors in the mid-1990s; and whether gas sales should be used as a bargaining chip in negotiations with Chile in the territorial dispute over access to the Pacific.

After the abovementioned plebiscite (called *referendum del gas*), a deep discussion arose in Congress regarding the degree of taxation on the gas and oil industries. Whereas moderate groups sought to tax the industry at about 20 percent, the Movimiento al Socialismo (MAS), lead by Evo Morales, argued for raising it to 50 percent. Of course, even at this time, there was some discussion about how to interpret the MDD (for some it was illegal, containing contradictions among questions and using extremely sophisticated language). At the same time, rising fuel prices triggered further large-scale antigovernment mobilizations. Indeed, parties in Congress would eventually impede the conversion of the outcome of the plebiscite into a law (Uggla 2008). Before he had finished two years in office, Mesa resigned in June 2005, and Supreme Court head Eduardo Rodríguez Veltzé was sworn in as caretaker president. The chronic mobilization epitomized a never-ending problem of weak institutional capacity of the state, but between the plebiscite of 2004 and the resignation of Mesa in 2005, several actions occurred that are crucial for this study.

In February 2005, leaders of the Comité Cívico de Santa Cruz (Civic Committee of Santa Cruz), and business organizations (Cámara Agropecuaria del Oriente [CAO] and Cámara de Industria y Comercio [CAINCO]), delivered 6,000 books containing 421,000 signatures to the National Electoral Court, and commenced a popular initiative on autonomy. After much discussion, a lengthy and cumbersome question was finally agreed on. The Mesa government preliminarily set the date for the consult for August 2005 but was forced out of office in June.

With Mesa's exit came the call for general elections (president, vice president, senators, and deputies) for December 2005, and Evo Morales was elected president, with an unprecedented 54 percent of the vote. It was the first time a

<sup>14</sup> Until Mesa's takeover, Bolivia lacked the articulation of legal apparatus to make any sort of MDD and, following the regular procedures, would have allowed Mesa, at best, to be able to call for a plebiscite in 2007. Thus, an ad hoc procedure was used, stretching the spirit of the law with that purpose. See Arrarás and Deheza (2005: 164).

Native American had become president in a country where more than half of the population was Native American and the first time a president had enjoyed an absolute majority of votes since democratization in 1982.<sup>15</sup> These elections constituted the deepest reshaping of the party system Bolivia had experienced since the military regime.

The novel government recognized the legitimacy of the autonomic initiative and, in March 2006, after a convoluted negotiation process between the MAS and the opposition parties, Parliament approved an extraordinary law to simultaneously call for a constituent assembly and the vote on autonomies. The votes were held in July 2006. The representatives for the constituent assembly were elected, and the “no” to the autonomies won at the national level. However, the “yes” votes triumphed in the eastern departments of Pando, Beni, Santa Cruz, and Tarija. The combination of these four departments constitute the region of the Crescent Moon (*Media Luna*), the stronghold of opposition.

An enormous debate arose about how to interpret the outcome of the initiative (note that this problem is not new in the Bolivian context and will not be the last time Bolivians face such a problem). The lengthy and bizarre wording of the question itself was widely open to interpretation (Table 5.4). The departments where the “yes” vote won (and won by far) claimed that the result was binding for them. Yet article 2 of the Referendum Law is rather clear that results were contingent on the type of initiative. If the initiative is national, then national results have to be considered. If the initiative is local, then local results are relevant. Despite that the “no” vote was officially proclaimed the victorious side at the national level, that decision did little more than fuel the autonomic desires of the eastern departments of the Crescent Moon. Although Morales convened a constituent assembly to amend Bolivia’s Constitution, unlike in Ecuador or Venezuela, this assembly coexisted with the sitting elected Congress, where the governing party lacked legislative majorities (especially in the Senate). Also, lacking a two-thirds majority in the constituent assembly, the MAS resorted to approving the new charter in a military barracks because of the violent opposition of some members of the assembly.

Yet the push for greater autonomy of regions in Bolivia persisted, despite the adverse results of the popular initiative of 2006. The opposition rejected the new constitution approved by the constituent assembly, and prefects from the Crescent Moon departments started a snowball wave of direct votes on greater autonomy from the central government. On May 4, 2008, a nonofficial popular initiative for greater autonomy was held again in Santa Cruz. That MDD was immediately followed by similar measures in Beni and Pando on June 1 and in Tarija on June 22. Unless the central government could deactivate the friction, the confrontation with the eastern prefectures threatened to engulf Bolivia in brutal clashes.

In a masterful play by Morales, in response to the four unofficial (and, for many, illegal) autonomy votes, he called for a plebiscite, putting his office on

<sup>15</sup> It has four official languages (Spanish, Quechua, Aymará, and Tupiguaraní), and only 40 percent of the population speaks Spanish as its mother tongue.

TABLE 5.4. *Mechanisms of Direct Democracy in Bolivia (since 1978)*

	Questions	Yes (%)	No (%)	Turnout (%)	Valid Vote/Registered (%)
Aug. 10, 2008	Do you agree with the continuation of the process of change led by President Evo Morales Ayma and Vice President Álvaro García Linera?	67.41	32.59	83.28	51.98
Jul. 2, 2006	Do you agree, within the framework of national unity, with giving the constituent assembly the binding mandate to establish a regime of departmental autonomy, applicable immediately after the promulgation of the new Political Constitution of the State in the Departments where this Referendum has a majority, so that their authorities are chosen directly by the citizens and receive from the National Government executive authority, administrative power, and financial resources that the Political Constitution of the State and the Laws grant them?	42.41	57.59	84.51	33.32
Jul. 18, 2004	(1) Do you agree that the Hydrocarbons Law (No. 1689), enacted by Gonzalo Sánchez de Lozada, should be repealed?	86.64	13.36	60.08	40.12
	(2) Do you agree that the Bolivian State should recover ownership over all hydrocarbons at the wellhead?	92.19	7.81	59.89	42.92
	(3) Do you agree that Yacimientos Petrolíferos Fiscales Bolivianos [the state-owned oil company privatized under Sánchez de Lozada] should be reestablished, reclaiming state ownership of the Bolivian people's stakes in the part-privatized oil companies, so that it can take part in all stages of the hydrocarbon production chain?	87.31	12.69	59.89	40.23
	(4) Do you agree with President Carlos Mesa's policy of using gas as a strategic recourse to achieve a sovereign and viable route of access to the Pacific Ocean?	54.80	45.20	59.89	23.68
	(5) Do you or do you not agree that Bolivia should export gas as part of a national policy framework that ensures the gas needs of Bolivians; encourages the industrialization of gas in the nation's territory; levies taxes and/or royalties of up to 50% of the production value of oil and gas on oil companies, for the nation's benefit; and earmarks revenues from the export and industrialization of gas mainly for education, health, roads, and jobs?	61.74	38.26	59.87	26.47

Source: Author's calculations based on Consejo Nacional Electoral, <http://www.cne.org.bo/>.

the table. He defied all prefects to follow suit. It is important to note that the call for the plebiscite was endorsed by senators of the opposition (notably Quiroga, the former president), who aimed for two rather clear objectives: Having that confidence vote, opposition forces were delaying the vote for the new constitution for at least one year (by law, Bolivia can have only one vote of this kind per year), hoping that Morales had weakened his support base in the nation. The opposition's bet turned out to be a failure. Not only did Morales succeed in retaining his support, fortifying his base even in the Crescent Moon region, he also moved to set the vote of popular approval of the new constitution for December 7, 2008. Consequently, only two prefects (i.e., La Paz and Cochabamba) were revoked.

The votes on August 10, 2008, were widely known as fair and clean by national and international observers, despite the wording of the questions being notably ideologically biased in support of the president and against the governors. Nonetheless, it was unclear until just a few days prior to the election exactly how many votes were needed to remove the president or the governors from office (the constitution stated that the incumbent would have to be rejected by a greater percentage of the electorate than had initially voted him or her into office, whereas the electoral authorities [Corte Nacional Electoral] claimed that removal would occur with 50 percent of the vote plus one). In any case, no major problems arose in computing the numbers.

Both supporters and detractors of the measure declared themselves the victorious party. The result was an electoral victory for the government. The executive significantly increased its vote share in comparison with the election of 2005 and achieved noteworthy support even in departments controlled by the opposition. Paradoxically, it was also a success for Morales's main opponents, the prefects of the Crescent Moon. Most of the prefects were ratified, also with more votes than they had obtained in 2005. As Uggla writes, because both sides could claim a renewed and strengthened popular mandate on the basis of their respective votes, the consultation served only to further deepen the conflict rather than resolve it. In fact, the weeks after the pseudo recall were among the most troubled in recent years, leading to some twenty deaths in clashes between supporters and opponents of the government (Uggla 2008).

Although the Bolivian presidential and governors' recall vote of 2008 was indeed a typical plebiscite, it is extremely interesting in that it represents only the second-ever recall internationally for a presidential authority in its objectives. The way it was engendered looked more like a confidence vote than a censure vote. The political results of this vote remain to be seen, and they will hardly ease the divisive political tensions in Bolivia. Indeed, they may aggravate them.

#### *d. Venezuela*

Venezuela is a country whose democracy is at odds with the rest of the southern countries on the continent (Coppedge 2005). Although most Latin American regimes succumbed to obscure dictatorships during the 1970s, Venezuela enjoyed a relatively well-functioning democratic regime and served as a shelter

for thousands of South Americans seeking freedom. Later, while most Latin American countries were consolidating their respective democratic regimes in the 1990s, democracy in Venezuela was approaching collapse, with both government and opposition immersed in an arena where they were gambling their accumulated institutional capital in resorting to democratic and nondemocratic tools for political change (Alvarez and Acosta 2006).

As was the case for its neighbor Colombia, 1958 was a crucial year for Venezuela, which paradoxically is an extremely rich country with a poor society.<sup>16</sup> During that year, the *Pacto de Punto Fijo* was signed between the major parties of the time (i.e., Acción Democrática, COPEI, and the Unión Republicana Democrática). The pact marked the commencement of an enduring governability agreement, yet at the same time it implied an increasing “petrification” of political parties and leaders – within the pact was the seed of its own collapse. During the best years of *puntofijismo*, political parties were so overinstitutionalized that it was unnecessary to hold votes in Congress – it was enough simply to know the positions of the party leaders (Coppedge 1994: 24). In a way, Congress became a marginal – or, at best, the “rubber-stamp legitimizing” – institution of political parties.

During February 1989, a 100 percent increase in the price of petrol came into force across the country, as laid out in the program of macroeconomic adjustments announced on February 16 by the government of President Carlos Andrés Pérez (López Maya 2003: 120), an abrupt policy switch known as *Gran Viraje* (Great Turnaround). This policy reform produced a series of uprisings on February 27, 1989, in Caracas, and other cities “were the scene of barricades, road closures, the stoning of shops, shooting and widespread looting” (López Maya 2003: 117). This social explosion was known as the *Caracazo*,<sup>17</sup> a symbol that all agreements were undermined and that parties and unions had lost their ability to represent the people and especially to channel social discontent (Lissidini 2007).<sup>18</sup>

In February 1992, Hugo Chávez attempted to coordinate a (failed) military coup d'état and was sent to prison, yet this “catapulted him onto the centre stage of Venezuelan politics” (Ellner 2003: 143). Pérez was impeached a year later, and Congress selected Ramón Velásquez as interim president. The 1994 election of Rafael Caldera did little to improve the much-deteriorated democratic equilibrium, and in 1999, Venezuelans elected Hugo Chávez to the presidency (Lalander 2004).<sup>19</sup>

<sup>16</sup> As Karl has argued, Venezuela’s oil has been a curse as well as a blessing (1985).

<sup>17</sup> On this topic, see Walton and Seddon (1994).

<sup>18</sup> Indeed, as discussed previously, Carlos Andrés Pérez epitomizes one of those presidents in the region who had betrayed his campaign promises (Stokes 2001).

<sup>19</sup> Recurrent opinion polls demonstrated that Venezuelans tend to impugn their economic disaster on the misuse of resources by dishonest politicians rather than the debt crises or the falling of oil prices (Coppedge 2005: 311).

Chávez is such a character that it is highly unlikely that his accession to the presidency would have produced indifference in any observer of Venezuelan or Latin American politics. For many, he represented a new beginning for Venezuela's institutions. His first measure, as promised in his campaign (Amorim Neto 2006: 162), was to convene a constituent assembly in 1999 to rewrite his country's constitution and eliminate any vestiges of its traditional "patriarchy." Unlike Bolivia, where the Constituent National Assembly coexisted with Parliament, the Venezuelan assembly – elected in 1999 – supplanted Congress and governed for a transitional phase after the new constitution was finally drafted. The new constitution was approved in a popular vote in December 1999.

Early in 2002, a nationwide strike and protests finalized the removal of the president by the military. "Business leader Pedro Carmona was installed as president, and promptly dissolved the Congress, refused to recognize the 1999 constitution, and tried to arrest elected Chavista governors and mayors. Within forty-eight hours, an outpouring of support for President Chávez in the streets, international condemnation, more deaths, and splits within the military led military officers to reverse course and reinstall the president to his post" (McCoy 2006: 64). The United States was one of the few governments (along with Spain, Ecuador, and Costa Rica) to salute the new government. Paradoxically, Chávez was defended using the Inter-American Democratic Charter – a charter he refused to sign in 2001.

Polarization grew in Venezuela, and the country was brought to a virtual standstill during 2003 and 2004. The refusal of the opposition to abide by constitutional rules until the coup of 2002 drastically changed (Alvarez 2007) and, paradoxically, employed the Chávez constitution of 1999 against him through the activation of a presidential recall – a constitutional right in the hands of the citizenry.

The signatures for a presidential recall were gathered during the summer of 2003, but the president of the national electoral council announced on September 12, 2003, that the petition had been rejected because the signatures had been gathered months before the August 19 midpoint of President Chávez's term in office and were inadmissible (the constitution was explicit that a president could not be impeached before his midterm, but it did not stipulate whether that same timetable would affect the gathering of signatures).<sup>20</sup>

<sup>20</sup> Article 72 of the 1999 Constitution states: "All [...] offices filled by popular vote are subject to revocation. Once one-half of the term of office to which an official has been elected has elapsed, a number of voters representing at least 20% of the registered voters in the affected constituency may petition for the calling of a referendum to revoke that official's mandate. When a number of voters equal to or greater than the number of those who elected the official vote in favor of the recall, provided that a number of voters equal to or greater than 25% of the total number of registered voters vote in the recall referendum, the official's mandate shall be deemed revoked and immediate action shall be taken to fill the permanent vacancy as provided for by this Constitution and by law."



One month later, the opposition mounted another attempt in the form of a four-day signature-gathering marathon that produced a new petition. This time, about 3.5 million signatures were collected, but the electoral council said that only 1.9 million were valid – the others either were invalid or dubious. For the second time in less than a year, the electoral authorities rejected a petition that was endorsed by a large portion of society. This rejection produced severe clashes between public forces, rioting in Caracas, and a long series of legalistic discussions. Venezuela was at the brink of a civil war. In an attempt to deflate the crisis, the electoral council set aside five days at the end of May 2004 to allow those citizens with disputed signatures to confirm that they were indeed theirs and that they did in fact back the referendum call.<sup>21</sup> At the end of that verification process, the electoral authorities said that the minimum required number of signatures had been obtained and, therefore, the referendum could take place.

Finally, on August 15, 2004, the recall was held, and Chávez (gathering almost 60 percent of the vote) successfully survived the confidence vote in a heavily internationally monitored popular vote that generally was accepted as cleanly conducted (McCoy 2005). Yet for some, the fairness of the process remains in serious doubt (Febres Cordero and Márquez 2006; Kornblith 2005). This doubt is somewhat founded because the question posed to citizens was odd in that it was asked somewhat counterintuitively; essentially, a “yes” vote was a “no to Chávez” vote – that is, a “yes to the recall” vote. The question was worded as follows: *Do you agree to revoke, for the current term, the popular mandate as President of the Bolivarian Republic of Venezuela conferred on citizen Hugo Rafael Chávez Frías through democratic and legitimate elections? NO or YES?*

In 2004, officialist parties won twenty-two of twenty-four states in the federation within a context of extremely low electoral participation and civic disaffection by the vast majority of citizens. Since 2005, the president has had absolute dominance over the legislature. Chávez was neatly reelected in 2006, and the moderate opposition recognized that the elections had occurred without fraud (Alvarez 2007).

Despite all of these victories for Chávez and his allies, he was defeated at the ballot box on December 2, 2007. He submitted to the citizenry a package of comprehensive constitutional amendments that failed to win the support of a majority of the electorate. This plebiscite was presented to voters in two separate groups (“Bloques”). Bloque A was composed by forty-six articles, of which thirty-three were directly proposed by the president; Bloque B included

<sup>21</sup> The names of the petition signers became public after the National Electoral Council presumably gave access to the Chavista member of the National Assembly, Luis Tascón, who created a Web site with all of the names, supposedly to help in the verification process. Some of those whose names appeared to be in the Tascón’s List “could find themselves subjected to public derision; some in the public sector even lost their jobs” (Kornblith 2005:128).

twenty-three articles proposed by the National Assembly. Both Bloques were narrowly defeated by a margin of approximately 2 percent (Alvarez 2008).

As expected, the defeat at the ballot box was not welcomed by Chávez and his government, and on the very same night of the setback, he announced that he would repeat his try as many times as necessary. President Chávez alleged:

[The opposition] may know how to administer their victory, but they are filling it full of shit. It is a shitty victory! They call what happened to us a defeat, but it is a courageous defeat, filled with valor and dignity. Get ready because there is a new reform proposal offensive coming at us, may it be a transformation or a simplification, but I am sure it is coming. I have received letters from popular leaders, because the people know that if they collect enough signatures that this reform can be subject to a referendum again under other conditions, in another moment, in this same place that we call Venezuela. Therefore, gentlemen of the opposition, I would not be singing a victory song. (*El Universal*, December 6, 2007)

Finally, Chávez fulfilled his threats on February 2009. A plebiscite triggered by the National Assembly, allowing continuous reelection, among other reforms, was approved by 54.9 percent. In the end, Chávez's persistence paid off and he got his way (Table 5.5).

## 2. Direct Democracy within Inchoate Party Systems

The countries of Latin America serve as a lab experiment for studying the effects MDDs can have on the functioning of relatively young and not-so-consolidated democracies. Conventional wisdom has accused direct democracy of being one of the institutions that has created delegative leaders: “the practice whereby presidents use referendums [in my typology, *plebiscites*] to bypass legislative opposition has worked to the detriment of the horizontal dimension of accountability” (Breuer 2007: 554). However, the record of most Latin American countries shows something different – that minimized horizontal accountability was already functioning at the time MDDs were deployed. Hence, pointing to direct democracy as one of the causes of weak representative institutions is both confusing and erroneous.

Direct democracy is more a consequence than a cause of weak institutions. A political regime that does not deliver public goods is dismissed as corrupt, sustains inequalities, exhibits shortages in representation, and survives only because of banal pork barreling. It is expected that such a regime, sooner or later, will be subject to stressful situations. These situations usually bring about a complete reshuffling and sometimes even a complete metamorphosis of the political milieu. In these contexts, political parties are incapable of responding to the expectations of the citizenry, and these fluid times open the door for classic messianic visions of the political set, making these the best environments for political outsiders to exploit. These leaders are characterized by their search for rapid recovery without “wasting time on politics” and all other malaises of which the *ancien régimes* were “guilty.” Venezuela's Chávez – an evident

TABLE 5.5. *Mechanisms of Direct Democracy in Venezuela (Since 1978)*

	Questions	Yes (%)	No (%)	Turnout (%)	Affirmative/Registered (%)
Feb. 15, 2009	Approval of the amendment of articles 160, 162, 174, 192, and 230 of the Constitution of the Republic prepared by initiative of the National Assembly, which extends the political rights of the people in order to allow any citizen in exercise of a public office by popular election to become a candidate to the same office for the constitutionally established term, his election depending exclusively on the popular vote	54.87	45.13	70.35	37.9
Dec. 2, 2007	Approval of the draft of constitutional reform, presented in two blocks and sanctioned by the National Assembly with the participation of the people and based on the initiative of President Hugo Chávez (Block A)	49.30	50.70	55.88	27.18
	(Block B)	48.94	51.06	55.72	26.91
Aug. 8, 2004	Agreement to “revoke, for the current term, the popular mandate conferred on citizen Hugo Rafael Chávez Frías as President of the Bolivarian Republic of Venezuela through democratic and legitimate elections”	40.75	59.25	69.92	28.42
Dec. 3, 2000	Agreement with “the removal of existing trade union leaders from office mandate to totally replace the union leadership within the next 180 days” in elections supervised by the CNE	69.40	30.60	23.50	14.58
Dec. 15, 1999	Approval of the constitution draft prepared by the National Constituent Assembly	71.78	28.22	44.05	30.18
Apr. 25, 1999	Agreement with the Executive’s proposal for the calling of a national constituent assembly according to the presidential decree examined and modified by the electoral authorities	86.50	13.50	37.37	30.68
Apr. 25, 1999	Convocation of a national constituent assembly to transform the state and create a new institutional order that would allow an effective functioning of a social and participatory democracy	92.36	7.64	37.47	32.94

Source: Author’s calculations based on Consejo Nacional Electoral, <http://www.cne.gov.ve/>.

product of the Fourth Republic – best exemplified this type of leader. Indeed, it is impossible to understand the Venezuelan politics of today without taking into account the *Punto Fijo* agreement and the encapsulation of the country's party system since that time (Coppedge 2005).

These political outsiders, impatient to showcase their reforms, are tempted to bypass the classic institutions of checks and balances (O'Donnell 2002). These institutions (which traditionally have done the heavy lifting in the *ancien régime*) are usually blamed (as are the old politicians) and branded as corrupted, ineffective, and an incessant waste of time and resources. At times, these new leaders not only bypass representative institutions but also sometimes have incentives (and the power) to literally get rid of them. The recent moves to supplant sitting congresses by constituent assemblies in Venezuela and Ecuador exemplify this case. Thus, these leaders, though elected in relatively free and fair elections, have all of the incentives to go their own way, governing “directly with the people,” because they believe they are the only ones who truly understand their citizens' needs. They are convinced they know exactly what to do: rearrange the rules of the game through a new order. This new order is accompanied by new adjectives that may be associated with their own form of democracy, whether participatory, popular, egalitarian, or revolutionary.

These leaders use all of the prerogatives at hand, and MDDs are just one of them. These institutions become more appealing in the context of amorphous groups of civic organizations, not only because of all the power resources that such a mobilization capabilities, but also because miscellaneous social groups that otherwise have little in common are molded into a more coherent one in the context of high political effervescence. When citizens expect a change but the (republican) institutional channels of representation are sterile, out of the way, or unreachable, political anxieties shift to other corridors. To be sure, sometimes this democratic hunger could easily, and paradoxically, derail into a democratic movement with undemocratic consequences. Ecuador, perhaps more than any other country in recent times, exemplifies how Congress was easily closed because, among those mobilized, there was not a broad-enough consensus on the importance of that institution for the reasons explained (Machado 2008). MDDs could be a practical instrument in the hands of political outsiders, becoming one of their preferred tools because they mobilize, they are “really” democratic, and they legitimize.

For oppositional forces, however, MDDs seldom create a window of opportunity, despite all the weaknesses inherent in these volatile democracies. By their very nature, MDDs create at least two clearly differentiated positions, yet if there is a hope for free and fair elections, they should also be embraced by the opposition. If free and fair elections are not the minimum minimum, that particular regime cannot be considered a democracy at all and deserves to be included in Chapter 4 of this book. The Venezuelan plebiscite of 2007 represents how, despite the unevenness of the playing field, executive proposals sometimes can be derailed by the ballot.

### 3. Final Remarks

Given that MDDs leave ample room for manipulation by governments that either want to evade their liability for the political price of conflictive policies,<sup>22</sup> obtain additional legitimacy on their policies,<sup>23</sup> or neutralize other state institutions by, for example, bypassing parliamentary deliberations, existing laws, and constitutional rules,<sup>24</sup> plebiscites have produced a deeper aversion than any other type of MDD.<sup>25</sup> Such are the implications of plebiscites that some scholars would go so far as to exclude them from the direct democratic realm, yet this is based more on normative criteria than on strictly conceptual delimitation.

In a way, this chapter stresses the theoretical discussion of Chapter 2, which assumed that certain levels of horizontal and vertical accountability are present within the environment where MDDs are practiced. Unregulated or facultative plebiscites are blamed for triggering delegative democracies, but it has been shown that delegative democrats use MDDs, not necessarily the other way around. Even leaders of questionable legitimacy use MDDs to foster their particular interests. MDDs open a window of opportunity in the context of minimalist democratic guarantees.

When controversies about a political institution push a country to the verge of a civil war, incurring casualties and injuries in the process, the institution requires serious study. Such is the case with MDDs. Although these mechanisms are employed uneventfully in some countries, in others, the tension associated with MDDs may bring them to virtual political collapse (as occurred in the last months of 2002 and the first months of 2003 in Venezuela).

Have MDDs helped to further undermine the already-weak institutions that several of these countries have exhibited? I claim a reasonable amount of skepticism with regard to this argument. Latin American history is plagued with critical constitutional reforms over which citizens had no control. Most likely, if Venezuela had had a constitutional arrangement, as was the case in Chile in 2005 (where constitutional amendments were approved simply by the sitting Congress without consultation with any other actor), Chávez's 2007 constitution would have been adopted without major problems because of the absolute majority he enjoys in Congress.<sup>26</sup>

However, the counterargument works as well. Would the party system of Venezuela have collapsed had it used MDDs to channel social pressures? The answer to this is ambiguous because of the counterfactual nature of the question. In any case, it is perfectly possible to imagine that instead of a *Caracazo*,

<sup>22</sup> On this regard, see Setälä (2006a; 2006b), Butler and Ranney (1994), and Zimmerman (1986).

<sup>23</sup> For example, see Altman (2002b; 2005) and Gross (2002).

<sup>24</sup> As exemplified by Breuer (2007; 2008a).

<sup>25</sup> Kaufmann and Waters (2004) and Suksi (1993).

<sup>26</sup> After all, the Dominican (1994), Honduran (1982), Salvadorian (1983), and Nicaraguan (1987, 1995) constitutions, to mention just a few, suffered important alterations without any scrutiny by their respective citizens and within an environment of poor democratic performance.

citizens could have gathered signatures to shift the executive policies to their preferred ideal point. Furthermore, knowing that citizens have those prerogatives in their hands, the package advanced by the executive at the time might have been much more attenuated, making even the process of signature gathering unnecessary. This is pure speculation; however, it helps to build the argument advanced in the next two chapters. CI-MDDs are reasonable barometers for society; they force a finer tuning between party elites and citizens and serve as institutionalized intermittent safety valves for political pressure.

## Direct Democracy within Democracies

### *The Case of Uruguay (Historic Evolution and Voting Behavior)*

Ciudadanos: el resultado de la campaña pasada me puso al frente de vosotros por el voto sagrado de vuestra voluntad general. [...] Mi autoridad emana de vosotros y ella cesa ante vuestra presencia soberana.

José Gervasio Artigas, National Hero of Uruguay (April 5, 1813)<sup>1</sup>

Whereas Chapters 4 and 5 dealt with MDDs in the context of authoritarian and weak democratic regimes, respectively, this chapter shifts our attention to the use of these mechanisms in a relatively stable democratic regime. This and the following chapter tackle a unique case study: Uruguay. But why use a case study, and why Uruguay in particular? Three factors make Uruguay a particularly useful case study. First, Uruguay demonstrates significant variation in the dependent variable (referendums, plebiscites, popular initiatives, and legislative counterproposals). Second, Uruguay has a peculiar party system that makes it relatively easy to observe what is happening inside parties because the internal divisions are clear.<sup>2</sup> Finally, Uruguay is the most prodigious user of CI-MDDs in the global south; it does not belong to the “developed” north, neither is it a member of the OECD or the European Union. All these factors make it an “ideal case” for understanding direct democracy.

The intensive study of a case allows the decision-making process to be closely analyzed in order “to sift more finely through varied sources of evidence, and to pursue traces of politicians’ reasoning and calculations in ways not possible when the field of observation spans many national settings” (Mershon 1996:

<sup>1</sup> “Citizens, during the last campaign you choose me to lead you through the sacred vote of your general will [...] My authority originates from you, and it ceases with your sovereign will.”

<sup>2</sup> The institutional design of Uruguayan presidentialism has varied substantially since it became a democratic regime at the turn of the twentieth century; thus, we will be able to assess the impact that different institutional designs have on uses of direct democracy, holding constant other variables.

539). Also, “it allows us to take account of historical persistencies and different constellations of major causal factors, it identifies sequences that are potentially causally relevant, it establishes agency, and makes use of complex contextual knowledge in the operationalization of theoretical concepts” (Rueschemeyer, Huber, and Stephens 1992: 58).

Uruguay has had the most enduring democratic system of governance in Latin America (Smith 2004). Unlike other countries on the continent, there have been virtually no challenges to the state’s monopoly of the use of force throughout the territory. Furthermore, by almost any set of criteria, the country has been an institutionalized liberal democracy for a significant part of the twentieth century, with political conflict and change following institutionalized and democratic procedures. Democratic institutions have been traditionally operational, and political decisions have been processed by the proper popularly elected authorities without any constraints on the free and fair nature of elections. Thus, I raise the question: What has made Uruguay so remarkable compared with other countries in this rather complex and convoluted region? The adoption of the aforementioned institutions in Uruguay is surprising not because of the country’s uniqueness in the Latin American continent but because of its similarities with other countries in the region (i.e., like the majority of the countries in the region, Uruguay has Spanish colonial history; it has suffered violent confrontations in the process of organizing the state; its development was based on an agricultural-export economy; it was strongly dependent on the external market; and it had left-wing army groups and dictatorships).

However, despite being the Latin American country with the most years of democratic experience since the turn of the twentieth century, no constitution lasted more than eighteen years without suffering significant reforms. The country has seen continuous revision regarding electoral rules and the structure of the executive branch, having experienced semicollegiate, “pure” collegiate, and “classic” presidentialism, among others. Nonetheless, despite this institutional volatility, some frameworks have endured longer than others, even to the point of transforming themselves in institutions with strong roots in society. Among these, an institution has developed for citizens to have a voice regarding any major institutional and constitutional change. These have existed in several forms: first as obligatory referendums, then as popular initiatives, and finally as facultative referendums.

This chapter has two major sections. The first section accounts for the historical and legal context in which direct democracy has developed (tracing direct democracy in Uruguay since the constitutional discussions of the mid-teens of the twentieth century). The second section examines how the use of CI-MDDs challenges existing theories of voting behavior in Uruguay (finding that when Uruguayans go to the polls to vote on a popular initiative, their vote choice is primarily the result of their party loyalty rather than a reaction to economic conditions).



## 1. Historical and Legal Context of Direct Democracy

It is possible to trace direct democracy in Uruguay to the constitutional discussions of the mid-teens of the 1900s. Although constitutional plebiscites were included along with popular initiatives in the constitution of 1934, they already had been used in 1917 on issues such as whether the president could be reelected and what shape a potential National Council of Administration would have (semicollegiate),<sup>3</sup> universal enfranchisement for males, and the separation of church and state, among others. After 1934, obligatory referendums (also known as “constitutional plebiscites”) and popular initiatives were used several times, but it was not until the constitution of 1967 that facultative referendums were included (through an obligatory referendum, of course).

It is not a coincidence that direct democracy arrived in Uruguay earlier than in most countries of the world. José Batlle y Ordóñez, a Colorado, assumed the presidency in 1903; the legacy of his two administrations (1903–1907 and 1911–1915) remains strong. Batlle’s “project” represented the most radical challenge to the status quo presented by any Latin American reformer during or since this period. His two administrations ushered in a three-decade-long cycle of reform, the societal manifestations of which included modernity, democracy, and an indelible link between the state and *batllismo*. The strategy of batllismo focused on the incorporation of broad sectors of society (from workers to immigrants) without confronting the classic oligarchy or adopting a conservative order (Lissidini 1998: 173).<sup>4</sup> In his first presidency, Batlle focused largely on processes of state building and institutionalizing democratic norms. It was during his second presidency that the nation’s welfare state gained its form and content.

<sup>3</sup> The Constitution of 1917 resulted from this bargaining process. Extensive negotiations during the bargaining phase produced a draft constitution. The central foci of that draft were the creation of a bi-cephalous executive and the introduction of proportional representation for the Chamber of Deputies (Buquet and Castellano 1995). Uruguayan citizens approved the Constitution in an ad hoc presidential plebiscite (the first ever of its kind in Uruguay) held in November 1917. This established an executive power divided between two bodies: the President and the National Council of Administration (NCA). This Council was modeled on notions of power sharing and was composed of nine members, all of whom were directly elected by the citizenry through the use of a double simultaneous vote. Each member served a term of six years, with one-third (three members) of the Council elected every two years. At that time, Uruguayans went to the polls almost yearly. This fact worried those in the most conservative sectors of society but, at the same time, that practice rapidly solidified the electoral process as the main vehicle for political competition (Caetano and Rilla 1994: 129).

<sup>4</sup> Thus, Uruguay, along with Costa Rica and Chile, followed the Marshallian sequence of civil-political-social rights (Marshall 1992). O’Donnell argues that “Uruguay, on its part, with its very early welfare state, achieved social and political rights almost simultaneously. One way or the other, the pattern in these three countries is similar to those in the Northwest in the sense that, especially in the urban sectors, there existed a reasonably high degree of implantation of civil rights previously to the achievement of social and political ones” (O’Donnell 2001: 603). Interestingly enough, the three countries (i.e., Uruguay, Chile, and Costa Rica) are systematically pointed out as the most democratic regimes in Latin America.

During those years, several members of the Uruguayan political elite, beginning with Batlle himself, were strongly influenced by the liberal ideas coming from continental Europe. Batlle recognized this influence:

While my candidacy held fast, I was visiting France and Switzerland where I studied close the thousand aspects of their democratic political life, and compared the political forms of the European States with the archaic and very old Constitution of my country. I remembered that by our Constitution of 1830, we were constantly exposed to the bad luck of having a president of dubious intentions and with the sum of the really extraordinary faculties that our Constitution grants to him. That this person was free to take everything, to devastate the institutions and to sink the country in the most dark of the dictatorships (Batlle in Nahum 1994: 63).

Despite that one of the most contentious reforms championed by Batlle was the creation of a collegiate executive based on the Swiss experience (in Spanish, *colegiado*), there was an interparty consensus that elections, rather than civil wars, were the tool of political power par excellence.<sup>5</sup> Moreover, the first signs of MDDs can be traced to these constitutional discussions and evidently had their seed in the idea that sovereignty rests in the nation, which lies in each and every citizen in the country. For the reforms of 1917, Batlle championed the plebiscite as a measure in defense of freedom and against caprices of the state and public officials:

This measure will prevent the branches of government, acting in concert, from legally extending their own faculties, or voiding them, or destroying or eliminating the freedoms we will create. [...] The plebiscite will cut off at its roots the possibility of this manner of attacks (Batlle in *El Día*, May 30, 1916, quoted by Lissidini 1998: 179–180).

Yet the “European influence” is not a sufficiently strong explanation because the organization of other Latin American countries also follows this influence (but direct democracy was not developed in other Latin American countries as it was in Uruguay). Additionally, many European countries that debated the use of these mechanisms did not incorporate them, neither did they develop them as in Uruguay. Why, then, did Uruguay follow the Swiss model while the rest of the countries followed the North American, English, or French model? To answer this question, I maintain that despite Batlle’s deep normative convictions (where the Swiss influences are evident), there were also notorious short-term partisan and political interests toward advancing with direct democracy. In cases where the legislature was adverse to some reforms (i.e., the collegiate executive), MDDs would offer the opportunity to transfer the political stalemate to a third arena: the citizenry. In a way, direct democracy was advanced by Batlle as a means for achieving the supreme political goal of the *colegiado*.

Despite Batlle’s deep convictions, it is well known that there were also short-term partisan and political interests for advancing direct democracy. Hundreds

<sup>5</sup> The basic rationale underlying the logic of this change stemmed from the notion that the office of the presidency remained susceptible to the whims of individuals and exigencies of specific political situations.

of pages could be written analyzing the process of constitutional reforms of 1917; however, for our purposes, it is enough to point out that no MDD was incorporated in this charter (despite its approval through a plebiscite legitimized by an ad hoc law passed in February 1912).

The constitution of 1934 (article 284) spelled out several ways it could be reformed. Among those, it suggested – partially or in their entirety – the following procedures:

- a) When a petition with the signatures of 20 percent of the citizens was presented to the president of the General Assembly, the petition's constitutional revisions would be submitted to popular decision in the next national (regular) election. In a joint session by both houses, the General Assembly could formulate alternative measures to be submitted to a popular vote, along with the original popular initiative.
- b) When constitutional revisions supported by two-fifths of the members of the General Assembly were submitted to its president, the revisions were subject to a popular vote during the next election. In addition to points a) and b), to make the constitutional revisions binding, an absolute majority of the citizens voting would have to cast a "yes" ballot in the elections. If the required number of votes was obtained, the reform would be approved.
- c) The Constitution also could be reformed by those constitutional laws that required, for their approval, two-thirds of the General Assembly. These laws did not need executive approval and were binding immediately after they were passed by the General Assembly. Nonetheless, these laws would be subject to popular approval in the first election held after their passing, and their final approval was contingent on the support of the majority of the citizenry. When these constitutional laws were about the election of officials, citizens would vote simultaneously for those positions using the proposed system and the previous one, and the final results would depend on the popular decision.

A new constitution was approved in 1942 with two major changes regarding MDDs (see article 281). First, the required percentage for triggering a petition was lowered from 20 to 10 percent; and, second, it incorporated a required quorum for approving constitutional reforms either by plebiscite or by popular initiative. In other words, to make the constitutional revisions binding, an absolute majority of the citizens voting would have to cast a "yes" ballot in the elections, and those voting "yes" would have to represent at least 35 percent of the total inscribed in the National Civic Register.<sup>6</sup> The constitution of 1942 consolidates the main features of the Uruguayan electoral

<sup>6</sup> Thus, strictly speaking, the constitution could be reformed with the support of 17.5% + 1 of citizens (50% + 1 of the 35% of the National Civic Register).

system and, for many, it represents the country's entrance to democratic adulthood.<sup>7</sup>

Since 1934, obligatory referendums (also known as “constitutional plebiscites”) and constitutional popular initiatives have been used several times, but referendums were not included in the charter until the constitution of 1967. In this charter, devices of direct democracy are categorized as referendums, initiatives (article 304), or revocations of laws (article 79, part 2). The 1967 constitution also refers to the use of referendums in articles 79 and 331. Article 331 is a modified version of previous articles 284 and 281 and does not present significant changes. According to article 79, 25 percent of the electorate is required to employ the referendum mechanism against laws passed by the legislature within one year of their promulgation. The referendum, however, may not be used to revise or repeal laws that establish taxes or any legislation that falls within the “exclusive initiative” of executive power.<sup>8</sup>

This powerful institutional mechanism, the referendum, was used for the first time after the redemocratization in 1985. Yet complications arose on December 17, 1987, when the National Pro-Referendum Commission presented 634,792 signatures to the Electoral Court to dispute Law 15,848, which granted amnesty to those involved in human rights violations during the military dictatorship (1973–1985). At that point, the electoral authority realized that the constitutional right to hold a referendum had never been regulated (Cortés 1989). On January 4, 1989, the court set April 16, 1989, as the date for the referendum on Law 15,848. Nonetheless, the electoral authority claimed that it lacked suitable means for verifying the signatures of such a large number of citizens and, consequently, through Law 16,017 of January 13, 1989, a new mechanism was created to solve this problem.<sup>9</sup> Law 16,017 outlined the following: a) 0.5 percent of the citizens qualified to vote could present legislation to the Electoral Court – that is, more than 12,000 signatures (article 30); b) then, *two* calls would be made to validate the signatures – the first between sixty and ninety days after the signatures were validated – and, if validated, the second call within a year of the law's approval; and c) reached in the first or second call the concurrence and the affirmative vote of 25 percent of citizens, a referendum would be held within the following 120 days (article 37).

<sup>7</sup> From 1942 to 1999, the Uruguayan electoral system possessed characteristics that, taken together, made it very unusual in the democratic world. One of its most original characteristics was the double simultaneous vote. This device required that citizens vote simultaneously on two levels: intraparty and interparty. For the presidential election, the double simultaneous vote permitted party tickets (*lemas*) to divide into competitive factions (sub-*lemas*). The votes for these factions were then accumulated according to a party ticket without any possibility of making alliances among them. Thus, the winner of the presidency was the candidate of the faction who received the most votes within the party that received the most votes. Thus, by granting faction heads nomination control, the system sustained hierarchically organized factions that were able to act together on a consistent basis (see Morgenstern 2004).

<sup>8</sup> Unlike in other countries, the Uruguayan president cannot call for a plebiscite or referendum whatsoever.

<sup>9</sup> The full law is available at <http://www.parlamento.gub.uy/leyes/ley16017.htm>.

This device, of two pre-referendum calls, was a highly exceptional and expensive method for deciding whether or not a referendum was to be held. Only five of every one thousand citizens – a number far below the votes needed to win parliamentary representation – were required to trigger a mechanism that entailed at least two nonworking voting days and a huge amount of government expense. Essentially, Uruguayans voted twice to decide whether or not to vote. As could be expected, this manner of determining whether to have a referendum was fairly controversial. In fact, the legislature modified this law on July 30, 2000, with Law 17,244, wherein the legislature changed the required signatures to trigger a pre-referendum to 2 percent of the registered voters (instead of 0.5 percent) within 150 days (instead of a year) from the promulgation of the law in consideration. If the pre-referendum reached more than 25 percent of registered voters, a referendum would be required within the next 120 days.<sup>10</sup>

To trigger a referendum, a request must be made in writing to the Electoral Court and must include stamping the right thumbprints and providing the signatures of the promoters. The promoters of the referendum must be identifiable citizens providing the number and series of their civic document and an address (article 1–2, Law 17,244). In other words, one or more citizens are the trustees in terms of channeling the demands for a referendum to the electoral authorities. Note that they are trustees in the purest sense of the term and not delegates (as discussed in Chapter 2). This is crucial because in case the organizers of the referendum campaign, for whatever reason, decide that the referendum process must be halted – for example, during the stage when the Electoral Court is verifying the signatures – they are not entitled to take this action because they simply act as trustees and not delegates (Interview with Washington Salvo, February 2009).<sup>11</sup> This trustee/delegate tension was a subject of discussion during a referendum process in 2001 (Chapter 7 develops this point in further detail). In any case, this is one of the most crucial differences between the process of triggering a referendum in Uruguay and in Switzerland, where promoters act as delegates, not simply as trustees. As a citizen, supporting a referendum campaign is not terribly complicated; one simply has to file a form.

From 1967 until June 27, 1973 (the date of the coup d'état), the Uruguayan Constitution was, more or less, in a state of crisis given that the country was intermittently under emergency rule. Only with redemocratization in 1985 did the constitution of 1967 become “normalized” and fully applicable after seventeen years of unrest. On fifteen occasions from 1985 to 2007 – in addition to national elections for the executive and the legislature – Uruguayans have decided diverse issues at the polls (seven referendums, four popular initiatives, and four obligatory referendums).

<sup>10</sup> The full law is available at <http://www.parlamento.gub.uy/Leyes/Ley17244.htm>.

<sup>11</sup> Washington Salvo serves as minister of the Electoral Court of Uruguay.

Table 6.1 spells out all instances of MDDs (at the national level) that have arrived at the ballot box since 1917. Table 6.2 shows the instances since 1985.

During the last twenty years in Uruguay, citizens have had the opportunity to directly decide some of the most politically critical issues. For instance, through the use of popular initiatives, topics as diverse as the following have been decided: whether or not to try human rights violators; the scope of the privatization of public companies; the social security system; the budget for public education; regulations concerning the national electric company; and even time limits for labor claims. In short, any analysis of the Uruguayan period of redemocratization that does not take into account this powerful institutional arrangement ignores a crucial aspect of the country's political reality.

## 2. Confidence Votes on Government or Political Loyalties?<sup>12</sup>

As shown before, among stable democracies, Uruguay is one of the most prodigious users of CI-MDDs at the national level. In this section, I examine how the use of CI-MDDs in Uruguay challenges existing theories of voting behavior. I find that when Uruguayans go to the polls to vote on a popular initiative, their vote choice is primarily the result of their party loyalty, rather than their reaction to economic conditions. In testing my hypotheses, I rely on the following statistical methods: King's "Ecological Inference," multivariate regression, and path analysis.

In this section, I deal with cases in which organized citizens have proposed an alteration of the status quo through popular initiatives or have attempted to sustain status quo through the use of referendums. Both types of popular votes fall into the category of CI-MDDs. Because political parties generally have incentives to take positions on the issues at stake in CI-MDDs, these cases offer the scholar interesting insights into the citizen-party linkage. By studying CI-MDDs, we can analyze the effect that political parties' taking of positions has on the citizenry. Using the Uruguayan experience, this chapter addresses the relation between the recommendations of political party fractions and how citizens vote on MDDs.<sup>13</sup>

This section of the chapter deals only with the outcomes, leaving the CI-MDD process for the next chapter. The major question I am examining is what determines the electoral behavior of citizens with regard to CI-MDDs.

<sup>12</sup> This section draws on Altman (2002b).

<sup>13</sup> There is disagreement on whether to use the concept "fraction" or "faction" in the context of the Uruguayan party system. Some authors have called these political units factions (Coppedge 1994: 199; Mainwaring and Shugart 1997: 425). Following Sartori, I will not use the term *faction* because it has derogatory connotations: It is deemed "a political group bent on a disruptive and harmful facere" (1976). Also, I consider this definition misleading because fractions are more permanent than factions (e.g., the circumstantial "in" and "out" groups formed in Venezuelan parties [Coppedge 1994]). For a further discussion on this topic, see Altman, Buquet, and Luna (2006).

TABLE 6.1. *Mechanisms of Direct Democracy in Uruguay (1917–1980)*

Type	Date (dd/mm/yy)	Based On	Issue	Accepted	Yes (%)	Yes/ Electoral Register (%)	Registered Voters	Turnout (%)
Obligatory Referendum	25-11-17	Ad-hoc law of Feb. 1912	Semicollegiate executive, separation of church and state, creation of the National Civic Registry (including the secrecy of the suffrage), and other relatively minor points.	Yes	95.15	36.34	233,850	38.20
Plebiscite	19-04-34	Ad hoc presidential decree	Reestablishment of presidentialism, incorporation of constitutional plebiscites, change of representation at the Senate, creation of the Council of Ministries.	Yes	95.75	53.95	422,865	56.35
Obligatory Referendum	27-03-38	Art. 284 (C)	President elected through DSV, reorganization of the Senate. <sup>a</sup>	Yes <sup>b</sup>	93.45	52.47	636,171	56.15
Obligatory Referendum		Art. 284 (B)	Unique presidential candidate per <i>lema</i> and reorganization of the local administration.	Yes <sup>b</sup>	53.47			
Obligatory Referendum	29-11-42	Art. 284 (B)	Change to proportional representation	Yes	77.17	51.64	858,713	66.91
Plebiscite	24-11-46	Art. 281 (B)	Election of president and vice president without <i>a lema</i>	No	46.61	25.39	993,892	65.33
Plebiscite		Art. 281 (B)	Conformation of State Council	No	53.39	29.09		65.33
Popular Initiative	26-11-50	Art. 281 (A)	Several modifications	No	0.26	0.18	1,168,206	70.91
Obligatory Referendum	16-12-51	Art. 281 (D)	Reestablishment of collegiate executive	Yes	54.00	20.02	1,158,939	37.08
Plebiscite (Counter-prop.) <sup>c</sup>	30-11-58	Art. 331 (B)	Back to president elected without <i>lema</i>	No	23.47	16.74	1,409,372	71.33
Popular Initiative		Art. 331 (A)	Back to president elected with a DSV	No	15.28	10.90		71.33
Obligatory Referendum	25-11-62	Art. 331 (B)	Back to presidentialism	No	16.71 <sup>d</sup>	12.81	1,526,868	76.69
Plebiscite (Counter-prop.)	27-11-66	Art. 331 (B)	“Orange” – regime of government	Yes	63.89	47.51	1,656,332	63.36
Popular Initiative		Art. 331 (A)	“Yellow” – regime of government	No	7.01	5.21		63.36
Plebiscite (Counter-prop.)		Art. 331 (B)	“Gray” – regime of government	No	14.22	10.57		63.36
Popular Initiative		Art. 331 (A)	“Pink” – regime of government	No	0.09	0.07		63.36
Popular Initiative	28-11-71	Art. 331 (A)	President’s reelection	No	29.55	26.21	1,875,660	88.60
Popular Initiative		Art. 331 (A)	Interpellation of the president	No	0.11	0.10		88.60
Ad hoc Obligatory Referendum	30-11-80	Ad-hoc presidential decree (military regime)	New constitution	No	42.80	36.36	1,944,951	86.86

<sup>a</sup> The *double simultaneous vote* (DSV) permitted party tickets (*lema*) to divide into competitive factions, supporting different presidential candidates. The votes for these factions were then accumulated according to a party ticket. Thus, Uruguayan presidents were the most voted-for candidates from the most voted-for party, though they did not necessarily gain the largest vote share at the national level.

<sup>b</sup> On April 16, 1941, the Corte Electoral decides by 4:3 that because the two modes of presidential election contradict one another, both are declared null and void, and the old mode of election described in art. 149 of the constitution of 1934 is renewed.

<sup>c</sup> Depending on the typology used, this MDD could also be called an “authority’s minority initiative.”

<sup>d</sup> For constitutional reforms voted concurrently with the general elections, an absolute majority of the votes cast and a minimum of 35 percent of all eligible voters are required; thus, only votes for “yes” are possible.

TABLE 6.2. *Mechanisms of Direct Democracy in Uruguay (Since 1985)*

	Type	Date	Based On	Issue	Accepted	Yes (%)	Yes/ Electoral Register (%)	Registered Voters	Turnout (%)
Sanguinetti (PC)	FAC-Referendum	16-04-89	Art. 79	Amnesty Law (15.848)	No	42.47	34.99	2,283,597	84.72
	B-Popular Initiative	26-11-89	Art. 33 I (A)	Adjustment of pensions to inflation	Yes	85.33 <sup>a</sup>	72.51	2,319,022	88.67
Lacalle (PN)	FAC-Referendum	13-12-92	Art. 79	Partial withdrawal of the privatization law (16.211)	Yes	72.55	55.14	2,345,077	78.53
	OBLIG-Referendum	28-08-94	Art. 33 I (C)	Constitutional reforms	No	31.08	24.55	2,278,375	81.38
	B-Popular Initiative	27-11-94	Art. 33 I (A)	Stopping “hidden cuts” in pensions	Yes	69.16 <sup>a</sup>	66.16	2,328,468	91.40
	B-Popular Initiative		Art. 33 I (A)	27% of the national budget for public education	No	31.17 <sup>a</sup>	29.82		91.40
Sanguinetti (PC)	OBLIG-Referendum	08-12-96	Art. 33 I (D)	Constitutional reforms	Yes	52.20	43.34	2,343,920	85.90
	FAC-Referendum (pre-referendum call)	17-06-98	Art. 79	Opposing the Law of Energy Framework	No	22.10 <sup>a</sup>	22.08	2,385,065	22.08
	FAC-Referendum (pre-referendum call)	20-09-98	Art. 79	Time available to workers to make claims against employers	No	4.64 <sup>a</sup>	4.64	2,379,543	4.64
	B-LEG-Plebiscite	31-10-99	Art. 33 I (B)	Limitation to executives of public services in running for office	No	38.09 <sup>a</sup>	34.93	2,402,160	91.70
	B-LEG-Plebiscite		Art. 33 I (B)	Financial autonomy for courts	No	43.09 <sup>a</sup>	39.55		91.70
Battle (PC)	FAC-Referendum (pre-referendum call)	18-02-01	Art. 79	Derogation of thirteen articles of Law 17.243	No	20.66 <sup>a</sup>	20.66	2,394,219	20.66
	FAC-Referendum	05-08-02	Art. 79	Derogation of arts. 612 and 613 of Law 17.296	Yes	– <sup>b</sup>	–		–
	FAC-Referendum	07-12-03	Art. 33 I (A)	Derogation of Law 17.448	Yes	63.72	48.71	2,466,680	81.86
	B-Popular Initiative	31-10-04	Art. 79	Inclusion of water as a basic human right in the constitution	Yes	64.61 <sup>a</sup>	57.90	2,488,004	89.61
Vázquez (FA)	OBLIG-Referendum	25-10-10	Art. 33 I (D)	Voting rights for the Uruguayan diaspora	No	36.93 <sup>a</sup>	33.19	2,303,336	89.85
	B-Popular Initiative	25-10-10	Art. 33 I (A)	Nullification of the Expiration Act (Amnesty Law 15.848)	No	47.36 <sup>a</sup>	42.56	2,303,336	89.85

<sup>a</sup> Only votes for “yes” are possible.<sup>b</sup> This case constitutes the only successful case I have recorded of referendum threat, which took place in 2002 but was deactivated by the government days before the vote would have taken place. Despite that technically there was no vote, the threat was successful enough in derogating articles 612 and 613 of Law 17.296. This case will be discussed in Chapter 7.Sources: Author’s database, Venturini (1989), Caetano and Rilla (1994), Lissidini (1998), Marius and Bacigalupe (1998), Bottinelli *et al* (2000), Gros Espiell (2002), González-Rissoto (2007), and Corte Electoral (<http://www.cortelectoral.gub.uy>).



The motivating factors behind citizens' votes have produced an enormous amount of research (both in national candidate elections and in MDDs). In the most simplistic terms, two general schools, or models, of voting behavior have developed: the party identification model and the economic model. According to those subscribing to the economic model, economic variables, along with political factors, significantly influence an MDD's result.<sup>14</sup> As evidence, this model cites research on vote and popularity poll functions (sometimes called VP functions) in European democracies (Frey, Pommerehne, and Schneider 1981; Frey and Stutzer 2000; Nannestad and Paldman 1994; Schneider and Naumann 1982) and the United States (Bowler and Donovan 1998; Eulau and Lewis-Beck 1985; Hibbs 1979), among others, and a few studies in Latin America (Araos and Engel 1989; Panzer and Paredes 1991; Rius 1992). Drawing on this research, I test the hypothesis that economic conditions have a role in shaping voters' preferences on CI-MDDs. At the same time, based on the importance that party attachment has for Uruguayan citizens, I hypothesize that they vote primarily following fraction directions.<sup>15</sup> Consequently, I theorize that economic variables do not directly influence MDD results in Uruguay, as economic models of voting behavior would argue, but instead have only an indirect effect, if any.

If we analyze the relationship between the number of votes received by any CI-MDD and the number of votes received by those who politically supported it, we observe a strikingly high positive correlation of 0.90. This correlation requires an explanation. Three alternative hypotheses are plausible. First, such a correlation is a spurious association because of aggregation bias. Second, based on the VP functions, CI-MDD results may reflect economic conditions. A third hypothesis is that Uruguayans are extremely consistent in following their political parties' advice. This section seeks to disconfirm these alternative hypotheses.

This chapter proceeds in three parts. In the first, using King's ecological inference methods and software, I disconfirm the possibility that the high correlation between MDD results and the fraction's vote share is due to aggregation bias. In

<sup>14</sup> It has been demonstrated that, in general, the economic element in the vote-popularity function of the individual voter is sociotropic – based on the voter's perception of the behavior of the macroeconomy – instead of egotropic – based on the voter's own (or voter's households) economic conditions (Nannestad and Paldman 1994: 224).

<sup>15</sup> Political parties in Uruguay, one of the oldest party systems in the world (Sotelo Rico 1999), were shaped by class structure and class alliances. Uruguay's non-labor-intensive cattle-oriented economy fostered clientelistic parties, as in Argentina (Rueschemeyer, Huber, and Stephens 1992). The configuration of its parties – in the wake of a brutal civil war that led to a massive inclusion of inhabitants as citizens – resulted, as in Colombia (Coppedge 1998), in clientelistic cross-class catchall parties, which tended to be strongly divided into competing fractions. Although its parties resembled fighting militias in the late 1830s, they succeeded in transforming themselves into party machines during the 1880s, and from then until the late 1990s, they have enjoyed almost 70 percent of the vote (Mainwaring and Scully 1995a). The presidential election of 2004 was, however, an historic event because for the very first time in Uruguay's 176 years as an independent state: Neither of the two traditional parties won the presidency. Instead, the winner was the center-left coalition Frente Amplio, which also won the 2009 elections.

TABLE 6.3. *Popular Initiative Dealing with the Supply of Electric Power (1998) Using King's Nomenclature*

	Frente Amplio	Other Parties	Total
Yes on PI	$\beta_i^w = ?$	$1 - \beta_i^w = ?$	$X_i = 22.10\%$
No on PI	$\beta_i^b = ?$	$1 - \beta_i^b = ?$	$1 - X_i = 77.90\%$
TOTAL	$T_i = 30.6\%$	$1 - T_i = 69.4\%$	100%

the second part, borrowing from the two previously addressed schools of voting behavior, I disconfirm the hypothesis of economic voting using multivariate regression and path analyses, testing empirically the impact of citizens' political loyalties and economic variables on MDD outcomes. Essentially, I am answering the following question: Are the factors contributing to CI-MDD outcomes essentially economic conditions, or are they political motivations? Finally, I conclude and interpret the findings. To do so, I use a database comprising the results of seven CI-MDDs in nineteen departments (electoral districts) in Uruguay, providing a total of 133 observations.

#### a. Citizen-Initiated Mechanisms of Direct Democracy Voting Behavior: Making Individual-Level Inferences from Aggregate Data

According to the "ecological fallacy," making individual-level inferences from aggregate data is problematic. Even if the number of votes for a CI-MDD and the number of votes obtained for those political fractions supporting that CI-MDD are almost identical, it is not implied that the people who voted in favor of the CI-MDD are the same people who voted in favor of the political parties supporting it. In other words, "the general ecological inference problem may be conceptualized as a standard contingency table with missing data. The marginals are known, since they are based on aggregate data, but the cell percentages are unknown" (Burden and Kimball 1998: 535).

For example, the popular initiative (PI) aimed at overturning legislation dealing with electric energy commercialization in 1998 was supported only by the leftist coalition, the Frente Amplio. All of the other parties openly opposed this CI-MDD. In Table 6.3, I show the aggregate CI-MDD results (rows) by the political support of the parties favoring and opposing the CI-MDD in the national elections (columns).

The most widely used statistical method in cases of ecological inference is Goodman's regression.<sup>16</sup> In Table 6.3, Goodman's method involves a

<sup>16</sup> King, Rosen, and Tanner argue, "The ecological inference literature before King (1997) was bifurcated between supporters of the method of bounds, originally proposed by Duncan and Davis (1953), and supporters of statistical approaches, proposed by Ogburn and Goltra (1919) but first formalized into a coherent statistical model by Goodman (1953, 1959)" (1999: 63-64).

regression of  $T_i$  (voters of the Frente Amplio)<sup>17</sup> on  $X_i$  (votes for the PI) and  $1 - X_i$  (votes against PI), with no constant term. Goodman's regression is often wildly inaccurate, producing impossible results with regularity. For instance, King shows that the ecological regression predicts 111.05 percent of blacks voting in 1990 for the Democratic candidate in District 42 in Ohio (King 1997: 16). Running Goodman's regression on my entire data set suggests that a reasonable 94 percent of supporters of parties that backed a CI-MDD voted for it, yet a negative number (-2 percent) of supporters voted against it! Obviously, this method is inadequate.

King (1997) states that the ecological inference problem can be minimized by replacing the question marks in the body of the contingency table with estimates based on information from the marginals. For instance, the upper-left corner of Table 6.3 represents the (unknown) number of *Frentistas* that voted for the CI-MDD. Obviously, there is a wide range of different percentages that could be placed in this cell of the table without contradicting its row and column marginals. Based on Table 6.3, it seems reasonable to suppose that most of the supporters of the CI-MDD were *Frentistas*, and thus that the upper-left and lower-right cells are most likely large. By the same token, the opposite diagonal (lower left-upper right) cells probably should be small. Based on the election results, I know how many voters supported the CI-MDD (22.1 percent) and how many were *Frentistas* (30.6 percent), but I do not know how many of the supporters of the CI-MDD were *Frentistas*. For instance, I know that the number of supporters of the "no" option at the CI-MDD who were *Frentistas*, the lower-left cell, is between 8.2 percent (the Frente Amplio total minus the option "no" total) and 30.6 percent (assuming that all *Frentistas* were "no" voters). Granted, this is a broad range of vote percentages.

King's method begins with the method of bounds, identifying the complete set of values that might fill a table's cell (I have done this using EZI software).<sup>18</sup> The method of bounds is employed to restrict estimates of the upper- and lower-left cells, the cell quantities of interest, to a narrower region than the  $[0,1]$  interval. By calculating this function for each of the observations in the database, it is possible to build a *Tomography Plot* (see King 1997; Voss and Lublin 1998). A careful consideration of the tomography plot allows

<sup>17</sup> The Frente Amplio is the governing leftist coalition of Uruguay. In the national elections of 1994, it obtained 30.61 percent of the national vote (30.76 percent of the legislature). The Frente Amplio has a different organization than the traditional parties, partially because of its origins. This party was officially born on February 5, 1971, and it is currently (in 2009) the largest party in Congress. It comprises nineteen political groups (from mild social democrats to communists and former guerilla activists "tupamaros"). Since its creation, the Frente Amplio has had a dense network of activism closely related to labor unions (especially around the Communist Party). Although each fraction acts as the ultimate decision maker, as in the traditional parties, the Frente has central authorities and sophisticated decision-making processes. Each group has veto power, forcing binding decisions among the members of the coalition. This veto power is responsible for an increasing internal fractionalization.

<sup>18</sup> EZI is a program for Ecological Inference. This statistical software package can be obtained at <http://gking.harvard.edu>.

checking for the degree of aggregation bias (see King 1997: 283–4). With a 95 percent level of confidence, at the aggregate level, between 86.4 and 89.6 percent of those who belong to parties encouraging an affirmative vote followed their fraction’s advice [ $88 \pm 1.63$ ]. Only between 5.7 and 8.3 percent [ $7 \pm 1.28$ ] of those citizens voted against a CI-MDD, contrary to their fraction’s directions.<sup>19</sup>

*b. The Effect of Economic Conditions on Citizen-Initiated Mechanisms of Direct Democracy Voting Behavior*

Thus far, we know that the high correlation between CI-MDD results and the fraction’s vote share is not a spurious association due to aggregation bias. This does not mean, however, that other variables have no effect on deciding a CI-MDD. A vast number of alternative hypotheses regarding the interaction between economic conditions and voting behavior have been put forward by a significant number of scholars (Key 1966; Kramer 1971; Lewis-Beck 1988). In their simplest form, these studies assume that voters withdraw support from incumbents when conditions worsen (Bowler and Donovan 1998: 71). However, limited attention has been directed toward the question of how these conditions might affect support for ballot propositions in countries other than Switzerland and some states in the United States. Because economic performance affects the government’s reputation (which affects party loyalties and in turn affects their ability to mediate voting decisions), I conduct a pooled cross-sectional analysis to test for an association between economic conditions and voting on CI-MDDs.

The classical macroeconomic variables used in electoral behavior models are inflation, unemployment, and per-capita income rates. Although the inflation rate may vary somewhat across different regions in a small country like Uruguay, I do not use a regional measure because of the lack of accurate information and its presumably small variation. Instead, I follow Bowler and Donovan’s work (1998: 75–6) and use economic trends measured by changes in unemployment and individual salaries. The relationship between the votes for a CI-MDD and the votes for those political parties supporting that CI-MDD and the economic situation are estimated using the following model:

$$\text{CI-MDD}_{dt} = \alpha + \beta_1 V_{dt} + \beta_2 U_{dt} + \beta_3 \Delta U_{dt} + \beta_4 S_{dt} + \beta_5 \Delta S_{dt} + \varepsilon$$

where

- CI-MDD<sub>dt</sub> = support for the CI-MDD in department  $d_i$  at time  $t_i$ ;
- $V_{dt}$  = share of vote of political fractions that support CI-MDD in department  $d_i$  at time  $t_i$ ;
- $U_{dt}$  = unemployment rate in department  $d_i$  at time  $t_i$ ;
- $\Delta U_{dt}$  = changes in the unemployment rate in department  $d_i$  at time  $t_i$ ;

<sup>19</sup> King offers a group of methods to check for aggregation bias (1997: 283–5). I performed these techniques, and it seems that aggregation bias is not a problem in the data I am analyzing.

TABLE 6.4. *Multivariate (OLS) Analysis Assessing the “Yes” Vote*

Variable	B	Std. Error	Std. Coefficients	T-stat
Intercept	-4.875	(3.909)		-1.314
Political Fraction Vote	0.992	(0.021)	0.960***	46.573
Unemployment	0.0631	(0.164)	0.007	0.386
$\Delta$ -Unemployment	-0.829	(2.008)	-0.008	-0.413
Salary	-7.30 E-08	(0.000)	0.000	-0.012
$\Delta$ -Salary	6.078	(2.243)	0.051*	2.709
<i>Prob &gt; F</i>	0.000			
$R^2$ :	0.965			
Adjusted $R^2$ :	0.964			
Root MSE	5.6217			
N:	133 (7 CI-MDDs by 19 departments)			

\*  $P < .01$ ; \*\*\*  $P < .0001$ .

$S_{dt}$  = salary rate (in Uruguayan pesos) in department  $d_i$  at time  $t_i$ ; and  
 $\Delta S_{dt}$  = changes in the salary rate in department  $d_i$  at time  $t_i$ .

The data used for this analysis were assembled in such a way that the position that the executive assumed in a given CI-MDD is consistent across all CI-MDDs.<sup>20</sup> I expect that CI-MDD will be determined primarily by fraction share ( $V_{dt}$ ) and that the economic variables will have no effect on the CI-MDD outcome. In Table 6.4, I present the results of this multivariate regression analysis.

The empirical findings are somewhat surprising. Although the fit of the model, with an  $R^2$  of 0.965, is close to ideal, three of the five independent variables (i.e., Unemployment,  $\Delta$ -Unemployment, and Salary) are not statistically significant.<sup>21</sup> The only significant independent variables are  $\Delta$ -Salary and

<sup>20</sup> “Consistent” refers to the position adopted by the president and his fraction. Because of the dynamics of the Uruguayan electoral system, political-party fractions control the nomination process and thus are the most prominent political agents. The elected president is no more than his fraction’s leader (Buquet, Chasquetti, and Moraes 1998). He is only able to control the internal competition and nominations within his fraction. He is not capable of controlling the nominations and competition of other fractions, even in his own party. For this reason, in several instances, fractions from the governing party took positions that diverged from the president’s. To make things more complicated, even within “opposition” parties, fractions do not have uniform positions regarding a CI-MDD.

<sup>21</sup> As previously mentioned, my universe of analysis is composed of 133 cases (seven CI-MDDs on nineteen electoral districts). Ideally, I should have had a database large enough to account for issue-type effects, performing the analysis on homogeneous issue groups, so as to have more confidence in the OLS estimates. However, more disaggregated economic and voting data were not available. Thus, I follow Bowler and Donovan’s work on pooling all propositions, regardless of their content (1998: 76–81). Also, I am aware that an N of 133 cases might not be enough to make the maximum-likelihood estimates trustworthy. Nonetheless, some scholars believe that as long as some loading marker variables are high ( $>0.80$ ), about 150 cases should

Political Fraction Share. On the one hand, based on the standardized coefficients, the impact of  $\Delta$ -Salary on the dependent variable is almost null. On the other hand, Political Fraction Share is significant and has a powerful impact on voting for CI-MDDs. In fact, there is an almost one-to-one relationship between voting for a CI-MDD and voting for a political fraction.

For every additional percentage point of turnout for political parties supporting a CI-MDD, the vote for the CI-MDD will increase by about one percentage point (0.96) in any Uruguayan department. Based on OLS analysis, the percentage of votes for a CI-MDD at a given day,  $t$ , is almost the same percentage of votes that the political parties supporting the CI-MDD would have obtained if candidate elections had been held concurrently.

Because fraction loyalty has a substantial effect on political behavior in Uruguay, I hypothesized that citizens vote primarily according to political considerations and that economic variables do not *directly* influence CI-MDD results in Uruguay. My regression analysis confirms both of these expectations, particularly given the relative magnitude of the Political Fraction Share variable. However, this analysis does not mean that economic conditions are irrelevant to CI-MDD outcomes. So far, the evidence does not indicate that the total effect of economic considerations is null.

Because politics and economics are not necessarily tied together in any easy, straightforward, “functional” way, one way to analyze the impact of economic variables on CI-MDD outcomes is through a path analysis or structural equation model. This method allows for testing for the indirect and direct effects of variables. Path analysis is a confirmatory rather than an exploratory technique.

To model the potential indirect effect of economic variables on CI-MDD outcomes, two conditions must be met. First, independent variables (Unemployment,  $\Delta$ -Unemployment, Salary, and  $\Delta$ -Salary) must affect the mediating variable (Fraction’s Vote Share); and, second, the mediating variable must affect the final endogenous variable (CI-MDD). The idea behind this model is that economic variables *do* have an effect on CI-MDD outcomes; however, these effects are mediated by Political Fraction Share.<sup>22</sup> Nonetheless, it may be the case that some of the independent variables impact CI-MDDs directly. Thus, I ran the path analysis, trying all possible combinations of direct and indirect effects of economic variables on CI-MDD outcomes. Figure 6.1 displays the output of this statistical model. The numbers along each arrow indicate the betas; the standard errors are given in parentheses. These empirical findings fit partially with my theoretical expectations. However, before discussing

be sufficient (Ullman, 1996: 640). Other scholars consider that approximately ten subjects per estimated parameter may be adequate (Ullman, 1996: 715). Doing a similar analysis, Bowler and Donovan (1998: 77–81) conduct several OLS regressions with diverse N (ranging from 21 to 268 cases). According to their analysis, an N of 133 cases, producing the reported coefficients, could be considered good enough to make the maximum-likelihood estimates reliable.

<sup>22</sup> Because in Uruguay political decisions are ultimately taken by party fractions, other things being equal, I expect fractions to take a more anti-incumbent position if economic conditions worsen.

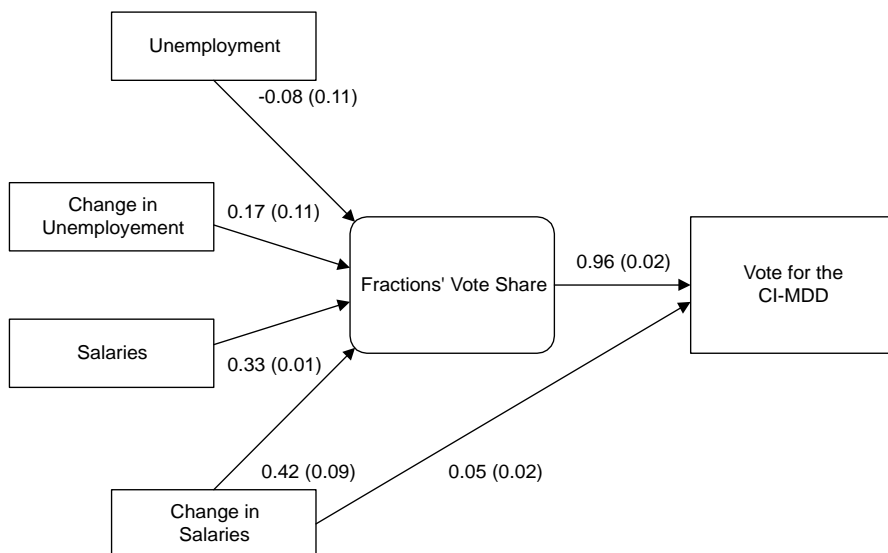


FIGURE 6.1. Path Analysis of Votes for the Mechanisms of Direct Democracy in Uruguay (Betas and Standard Errors).

the specific results, I must provide some evaluation of the model's overall performance.

To run a path analysis, one first considers a bivariate correlation matrix among all of the variables. One of the most important (and general) criteria for judging the results of a path analysis is whether it produces an estimated correlation matrix that is consistent with the original bivariate correlation matrix. "If the model is good, the parameter estimates produce an estimated matrix that is close to the sample covariance matrix. 'Closeness' is evaluated primarily with chi-square tests and fit indices" (Ullman 1996: 713). Because the goal is to develop a model that fits the data, a *nonsignificant* chi-square is desired. The chi-square in my model (with three degrees of freedom) is 0.24, with a *P* value of 0.97. Therefore, my model fits the data well. An adjusted goodness of fit index (AGFI) and a comparative fit index (CFI) with values greater than 0.90 also indicate a well-fitting model. In my model, these indices are equal to 1, providing further evidence that it performs well.<sup>23</sup>

I hypothesized that Unemployment,  $\Delta$ -Unemployment, Salary, and  $\Delta$ -Salary affect CI-MDD outcomes through Fraction's Vote Share. To test these hypotheses, the path coefficients going from each variable to Fraction's Vote Share need

<sup>23</sup> I also ran least squares with dummy variables (see Stimson 1985) for departments and CI-MDDs, and the conclusions are the same as those of the path analysis: The estimated standard errors became only marginally larger, but the political fraction vote coefficient remains highly significant. The change in salaries coefficient is the only variable that ever attains significance, and it is only weakly so. For simplicity, I decided to remain with the path analysis.

evaluation. Unemployment and  $\Delta$ -Unemployment do not significantly affect Fraction's Vote Share. However, Salary and  $\Delta$ -Salary do have a significant and substantial effect on Fraction's Vote Share. Their betas are 0.33 and 0.42, respectively (both with a  $P$  value  $< .01$ ). However, only  $\Delta$ -Salary has a direct effect on CI-MDD. Moreover, to find the indirect effect of  $\Delta$ -Salary on CI-MDD through Fraction's Vote Share, the betas of the path  $\Delta$ -Salary–Fraction's Vote Share and Fraction's Vote Share–CI-MDD are multiplied. Thus, the standardized coefficient of the indirect effect that  $\Delta$ -Salary has on CI-MDD is 0.40 (0.42 times 0.96).

The impact of the change in the median levels of salaries (per department) on *Vote* is not explained theoretically. In fact, it is fairly counterintuitive. It should also be noted that I am working with *median* levels of salary, data that do not reflect more nuanced information (e.g., quintiles) about the evolution of salaries. For instance, the median salary per department could increase, even though a big part of the population was experiencing a decrease in their salaries. By definition, data about the median levels of salary do not take into account how wealth is distributed in a given region. One way to solve this problem is to work with more disaggregated data, but these data are not available for Uruguay because national surveys have not been done frequently or regularly.

### *c. Interpreting the Findings*

This chapter addresses cases in which organized citizens in Uruguay have attempted to alter the political status quo through CI-MDDs. Because political parties have incentives to take positions on the issues at stake in popular initiatives, these cases offer the scholar interesting insights into the citizen-party linkage. This research combines two theories of voting behavior: the economic model and the party identification model. I have hypothesized that when Uruguayans go to the polls to vote on a CI-MDD, their vote choice is primarily the result of their party loyalty rather than their reaction to economic conditions.

CI-MDDs in Uruguay provide a valuable opportunity for the analysis of voting behavior, particularly with regard to instances of direct democracy. Using a variety of methods (i.e., EZI, multivariate regression, and path analysis), this study finds that the outcomes of popular initiatives are mainly determined by fraction loyalties. In Uruguay, citizens follow their party fraction's advice almost exactly, producing a striking correlation of 0.9 between the votes received by any CI-MDD and the number of votes received by those fractions that politically supported it. The reasons why fraction loyalty is so strong in Uruguay are beyond the scope of this piece of research and are open to debate. However, the parties' strong roots in society – a result of more than a hundred and sixty years of existence, conflict, and interparty political bargaining – must be part of the explanation.

This chapter shows that economic factors also influence CI-MDD outcomes but in an indirect fashion. When Uruguayans go to the polls to decide a



CI-MDD, they mainly take into consideration their political fraction's suggestion. Still, in making their recommendations on whether to support or oppose a proposed CI-MDD, political fractions are strongly affected by the economic performance of the country.

### 3. Final Remarks

In Uruguay, the introduction of direct democracy came "from above" in an attempt to bypass an inimical legislature that the reformers did not fully control. MDDs were slowly and silently incorporated into constitutions, and their inclusion brought only marginal discussions among constituents. Oddly enough, MDDs could be seen as bargaining chips among political elites vis-à-vis waves of greater concentration of power in the hands of the executive, not as demands from concrete groups in society for a broader participation in public decisions.

Of course, this inclusion deviates from the Swiss case (see Altman 2008). In Switzerland, MDDs "were introduced into the constitution under pressure from reform movements in the second half of the nineteenth century, after a number of cantons had accumulated some experience with them" (Papadopoulos 2001: 36); therefore, they may be seen as the product of a tremendously heterogeneous society attempting to create a series of political safety nets for minorities. Evidently, MDDs were implemented in Switzerland and Uruguay with diverse political goals, were used in different ways, and have produced dissimilar results.

Though not nearly to the degree of Switzerland, Uruguay is still one of the most prodigious users of CI-MDDs worldwide (Altman 2002b; 2005). Introduced several years ago, CI-MDDs were "discovered" by political parties mainly during the postauthoritarian period. Thus, using the Uruguayan experience, this chapter addresses the relation between political parties' recommendations and how citizens behave electorally on CI-MDDs.

This study argues that by knowing which fractions support a given CI-MDD and the economic conditions in the various regions of the country, we can predict with a fairly high level of confidence the outcome of a CI-MDD vote. For example, in the CI-MDD on September 20, 1998 (which was supported by only a few unions), I expected a very small percentage of citizens to vote in favor of the measure. As it turned out, only 4.72 percent of citizens voted for the CI-MDD. Alvaro Ferrín, one of the coordinators of the National Commission Pro Referendum, said, "We promoted the referendum regardless of any political consideration. We understand that not everything should obtain political backing. [...] There is a minority of the people that wants this issue to be submitted for popular approval. We did not consider it necessary to obtain any support from the political class" (Alvaro Ferrín, in "En Perspectiva," *Radio El Espectador*, September 24, 1998). Without being aware of the implications of his words, Ferrín supports the basic conclusion of this chapter: Without partisan backing, CI-MDDs are unlikely to succeed in obtaining citizen support.

The analysis in this section has been mostly procedural and did not take into account the specific topics on the table or the intentions of the CI-MDDs' promoters. In this sense, this section has been issue-free and topic-blind. Given that the specific issues at stake should not be left aside in a comprehensive assessment of how MDDs work, this is the focus of Chapter 7.