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and Chile

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# Competition by Denunciation

The Political Dynamics of Corruption Scandals in Argentina and Chile

Manuel Balán

"Politics is knowing when to pull the trigger."

Don Lucchesi, in The Godfather, Part III

Since the early 1990s, corruption scandals have been a defining characteristic of Latin American politics. Scandals such as the *Mensalão* in Brazil and the senate scandal in Argentina show that the trend continues. Corruption scandals have shaken politics across the region, even in Chile and Uruguay—usually considered the region's golden examples when it comes to clean politics—where the disclosure of misdeeds has threatened the stability of their political sphere.

While levels of corruption are usually perceived to be stable across time, signaling that corruption is a structural phenomenon, corruption scandals emerge at specific points in time, indicating that multiple corrupt acts never become public. Why do some corrupt acts turn into scandals while others remain in the dark?

Optimistic explanations emphasize the role of the media and horizontal or societal accountability mechanisms,<sup>3</sup> arguing that the creation of control agencies, the emergence of a freer press, and the involvement of societal actors generate a new age of media scandals, as corrupt acts that were previously concealed are now made public. If that is the case, corruption scandals actually signal a healthier democracy, where misdeeds are exposed and eventually punished. Other more pessimistic views contend that more scandals arise simply from more corruption.<sup>4</sup> Hence, the emergence of corruption scandals indicates growing levels of corruption.

In contrast to these views, this article analyzes the incentives to and constraints upon potential informants and contends that most corruption scandals are triggered by competition among government actors. Government insiders leak damaging information about other political actors as part of intragovernment political competition for power and resources. By examining the politics of corruption scandals, the present analysis shows that scandals are more likely to occur under specific configurations of interparty and intraparty or coalition competition. Denouncers are generally government insiders. Hence, unlike studies that highlight the role of the opposition, of societal groups, in denouncing corruption, this article demonstrates that original leaks of information come from within the party or coalition in government.

The relevance of corruption and scandals in Latin America cannot be overstated. Public opinion data show that societies in the region rate corruption among the most pressing political issues.<sup>6</sup> Legislators and policymakers have attempted to respond by pushing a number of anticorruption measures, with mixed results at best. Since public awareness of corruption occurs only when it turns scandalous, it is the salience and frequency of scandals that produce high levels of concern about corruption. Furthermore, according to Kathryn Hochstetler, scandals are crucial factors in explaining why presidents are challenged and eventually fall.<sup>7</sup> However, despite growing attention, it remains unclear how corruption scandals come to light and how they should be interpreted.

The arguments and empirical evidence presented in this article point to unresolved issues in Latin American democracies. Corruption scandals resist interpretations that label them as either negative consequences of growing levels of corruption or positive outcomes of more effective control mechanisms. This article suggests that corruption scandals are a consequence of the way in which political systems channel conflict and dissent within government coalitions. In other words, scandals are a byproduct of political competition.

## Corruption Scandals: Concept and Stages

Despite the interchangeable use of these terms, corruption and corruption scandal are not the same. Corruption, defined as the misuse of public office for private gain, does not imply the publicity of the actions, rather just their occurrence. In fact, corruption that does not become scandalous can be considered "successful," in the sense that it achieves secrecy, which is a key concern of those committing the acts. Corruption scandal implies both the public disclosure of corruption as well as the public upheaval it produces. In other words, going beyond Theodore Lowi's definition, corruption scandals can be defined as "corruption revealed" that generates a strong public reaction.

As John Thompson notes, corruption scandals have "a certain temporal and sequential structure." Building on this idea, three stages can be distinguished—the trigger stage, when information on the transgression is leaked; the spread stage, when the information is made public; and the response stage, when those involved in the scandal react. The duration and intensity of each stage may vary from scandal to scandal, but the general structure allows for comparisons across corruption scandals that initially seem to be unique events.

The trigger stage begins when damaging information involving corrupt acts by public officials is disclosed or leaked. Not all corrupt acts are triggered to become scandals. In fact, the transformation from corruption to scandal is not automatic. More corruption does not imply more disclosure of these events, and conversely, more disclosure does not necessarily imply more corruption. The disclosure of information requires two main components. First, information must be previously concealed, which implies that someone is revealing previously unknown events. Second, information must come from reliable and credible sources, which is a function of the sources' proximity to actors involved in the transgressions. What actors have access to undisclosed information and are also credible and reliable sources? In fact, government insiders are in the 460

privileged position of having access to information that is not generally available, and they constitute reliable sources.<sup>11</sup> Although insiders are not the only actors who can leak information on corruption, they are more likely to disclose misdeeds given their position and incentive structure.

In the second stage, disclosed information spreads and becomes available to a wider audience in society. The media plays a key role, receiving and spreading information about the transgression. Of course, individual journalists and newspapers may have political agendas that sometimes push either for or against the publication of certain corruption scandals. The media is far from "innocent." However, assuming the existence of a competitive media market and a minimum level of media independence, it can be argued that an informant who is determined to make information public can find a way to achieve publicity. Given this mostly amplifying role, the media follows leads and information provided by their sources, spreading information to the rest of society. Moreover, government control agencies may act as amplifiers in this stage, receiving denunciations and investigating misdeeds.

After the scandal is out, those seen as responsible for the transgression can react to the accusations in the response stage. They may respond by not addressing the issue, denying their involvement, or claiming their actions were justified by a higher goal. Alternatively, they may make counterallegations, implicating other political figures in the same or different transgressions. These counterallegations, if spread, can prolong the existing scandal or plant the seeds of new scandals. Hence, the response stage can become the trigger for new scandals, building chains of scandals.

Identifying different temporal stages of corruption scandals is key to distinguishing between causes and necessary conditions. Although the media's spreading of information is a necessary condition for scandals, the actual causes are present at the triggering stage, when there is an information leak. As Silvio Waisbord points out, "had [insiders] not come forward with sensitive and compromising information, most reporters agree, it is doubtful that most *exposés* would have ever surfaced." <sup>15</sup>

## Selectively Leaking or Publicly Denouncing

As Howard Tumber and Silvio Waisbord point out, "everyone in politics...realizes that if you examine more closely and for long enough, damaging information can be found on almost anyone." Knowledge about corrupt acts is available to political actors as a function of their proximity to the acts. Hence, factions or parties that are part of the government coalition can be expected to possess information about the misdeeds of government actors. Meanwhile, outsiders—parties or factions not part of government—are less likely to have first-hand access to such information. Given these conditions, most original revelations or leaks of government corruption come from actors inside government. Why and under what conditions will insiders decide to disclose misdeeds, potentially generating corruption scandals that can hurt the government? The hypotheses presented here suggest that government insiders have incentives to denounce members

of their own coalition as a function of their competition for political power. According to their position within the government coalition and the electoral threat posed by the opposition, insiders may choose to leak information on government misdeeds as part of two possible strategies.

The first strategy is to attempt to gain greater power within the government coalition by hurting political allies. An insider may selectively leak information on wrongdoings by a faction of the coalition as an attempt to "leap frog" and strengthen his or her relative position within the government. However, leap frogging is costly not only for the faction implicated in the corruption scandal but also for the whole government, as the emergence of corruption scandals hurts the government's reputation and can potentially help the opposition. Hence, a powerful opposition acts as a constraint on the insiders looking to leap frog. Conversely, as David Apter asserts, "when there is a [weak] opposition, factionalism and intraparty intrigue become the prevailing political style." Leap frogging can generate chains of scandals, as both those who leak and those who are involved in the scandal remain in the government, allowing for new leaks in response to corruption scandals.

The second strategy is to exit or "jump ship" from the government coalition, while in the meantime attempting to hurt its reputation by involving it or its leaders in a corruption scandal. In this case, an insider dissatisfied by the distribution of power and posts decides to exit the government coalition and join the opposition. Since these "break ups" are usually unfriendly, those exiting the government may choose to leave with a bang, implicating public officials in denunciations of corruption and using those as a political weapon that both justifies their decision to exit and shines more public attention on their departure. Ship jumping generates fewer chains of scandals, as the actor that denounces exits the government and becomes part of the opposition.

The insiders' decision on whether to jump ship may be affected by the power of the opposition. However, this effect is nonlinear. If the opposition is weak or fragmented, potential ship jumpers may perceive that there is nowhere to jump. Hence, a weak opposition can be a constraint. If the opposition is strong, the costs of defecting increase, as the option taken by potential ship jumpers implies exiting the government coalition and entering an already organized opposition, which may have little room for newcomers. Thus, a strong opposition may also pose constraints. Therefore, intragovernment competition presents incentives for ship jumpers, but the power of the opposition has a nonlinear effect on the constraints posed to ship jumpers.

The following hypotheses are derived from the logic described in these strategies:

H1: Governments with high levels of intragovernment competition among parties or factions are more likely to experience corruption scandals, as insiders face increased incentives to either jump ship or leap frog.

H2: Governments facing high levels of interparty competition (strong opposition) are less likely to experience corruption scandals, as insiders face increased constraints to leap frog and, if opposition is really strong, to jump ship as well.

The logic of the main argument advanced is similar to a nested game where the higher order game is conditioned by the constraints imposed by interparty competition.<sup>20</sup> Meanwhile, the lower order game is shaped by the incentives to leak information generated by intragovernment competition.

## Research Design and Methods

The following analysis assesses the impact of intragovernment and interparty competition on the likelihood of corruption scandals. Instead of tracing the origins of and focusing on each scandal (since often all that is left are rumors and never certainty about who "spilled the beans"), this article provides within-country longitudinal analyses of Chile and Argentina from 1989 to 2008. This design poses a demanding empirical test, as the arguments are evaluated in two political systems with important differences. On the one hand, throughout this period Chile had a generally stable government coalition composed of four major parties and a clearly distinguishable powerful opposition coalition. On the other hand, during the same period Argentina's political system was defined by internal struggles within Peronism (PJ), and a single instance of a multiparty electoral coalition (Alianza, 1999–2001). These two cases also differ in their levels of actual corruption. While Chile is considered among the cleanest countries in the region, Argentina is perceived as one of the most corrupt. Therefore, evaluating the arguments with evidence from these two countries assesses whether they hold regardless of level of corruption, questioning alternative explanations that argue that more scandals are a consequence of higher levels of actual corruption.

These two longitudinal analyses take two-year periods as units of analysis, which are defined slightly differently in the two cases. In Argentina congressional periods are considered units of analysis, providing nine cases. In Chile congressional and presidential elections coincide in 1989, 1993, and 2005, justifying the use of a different strategy to define units of analysis. The combination of congressional and municipal elections (*Alcaldes* and *Concejales*) defines the units of analysis, also providing nine cases. The resulting two-year periods are compared through time within each country, assessing whether the hypothesized political configurations actually generate more corruption scandals.

**Dependent Variable: Corruption Scandals** This study relies on an original database on corruption scandals, based on eighteen years of the newsletter, *Latin American Weekly Report* (LAWR).<sup>21</sup> Published in the UK, LAWR provides "timely and concise risk-oriented briefing."<sup>22</sup> As corruption is perceived as taxing on investments, LAWR is prone to covering scandals, reporting only the most important events given its weekly format. The analysis of LAWR generates a dataset with a natural bias toward more dramatic events. Since the article focuses on national level corruption scandals, LAWR offers an appropriate source that captures the relevant events to score the dependent variable. Furthermore, since LAWR's coverage includes most Latin American countries,

it provides a measure that lessens the biases of looking at each country's media market, which may include smaller events. The database records each corruption scandal that appears in LAWR as well as how many weeks the issue is reported.

Once the initial database on scandals was constructed, data was collected on each specific scandal from the archives of local print media and secondary sources. Eighty semistructured interviews with key informants (including politicians, bureaucrats, and journalists) were conducted in order to complete the story of each scandal and double-check information gathered through archival research.

**Independent Variables: Intragovernment and Interparty Competition** Assessing levels of competition is an inherently intricate task. Competition is difficult to observe, since it is usually manifested in terms of a specific goal—political actors compete for something such as a bill or public post. The present analysis requires political competition to be assessed during specific periods of time. Hence, this article triangulates data sources in order to overcome these difficulties at least partially.

In order to trace the configurations of intragovernment competition, three sources of data are employed. The first is an analysis of cabinet composition in both countries. As cabinet members are generally the highest public officials appointed politically, this analysis indicates how the government coalition distributed resources and power among different political forces.<sup>23</sup> Second, secondary sources that describe intragovernment competition during each period are used,<sup>24</sup> along with interviews conducted by the author in order to supplement and cross-check the information. Third, in the case of Chile, the data on congressional and municipal elections provide an additional indicator of intragovernment competition, as the vote share received by each party within the then governing coalition, *Concertación de Partidos por la Democracia* (Concertación), is indicative of the relative power of each of the members.

The relative power and level of fragmentation of the opposition is analyzed using data from three sources. First, the composition of legislative bodies provides insight into the cohesiveness and relative strength of the opposition. Second, in the case of Argentina, the control of governorships by different parties is also indicative of levels of competition among different parties. Third, in the case of Chile, data on municipal elections help assess the power of the opposition coalition, *Alianza por Chile*, as well as its members, *Unión Demócrata Independiente* (UDI), and *Renovación Nacional* (RN). Secondary sources and key informant interviews are also employed to provide a thorough assessment.

#### Argentina: A Hotbed for Corruption Scandals

From 1989 to 2007 there were forty-four national corruption scandals in Argentina. Twenty-one made it to the front page of at least two major newspapers, and LAWR reported on corruption a total of 171 weeks. If scandals were a direct consequence of corruption, and if corruption were in fact as structural as many authors claim, scandals 464

and coverage would be distributed evenly through time. Alternatively, if some governments were more corrupt than others and scandals were a direct consequence of the level of corruption, these governments would experience more corruption scandals. On the contrary, the data in Table 1 show that corruption scandals in Argentina are not evenly distributed through time, and that there are important differences in the number and intensity of scandals, even within presidencies.

 Table 1
 DV: Corruption Scandals in Argentina

| Period              | Corruption | Total Weeks in | Front Page of | Level of |
|---------------------|------------|----------------|---------------|----------|
|                     | Scandals   | LAWR           | Newspapers    | Scandal  |
| Menem 1989-1991     | 10         | 20             | 2             | High     |
| Menem 1991-1993     | 9          | 20             | 3             | High     |
| Menem 1993-1995     | 2          | 24             | 2             | High     |
| Menem 1995-1997     | 9          | 38             | 6             | High     |
| Menem 1997-1999     | 3          | 8              | 0             | Low      |
| de la Rúa 1999-2001 | 3          | 33             | 3             | High     |
| Duhalde 2002-2003   | 1          | 1              | 0             | Low      |
| Kirchner 2003–2005  | 2          | 3              | 0             | Low      |
| Kirchner 2005–2007  | 6          | 25             | 5             | High     |
| TOTAL               | 44         | 171            | 21            |          |

Sources: LAWR, Clarin, Página/12, La Nación.

In the first part of the period under analysis, all three congressional terms during Menem's first presidency were beset by corruption scandals that drew much attention from the media and society. While the first two congressional periods had many midto high-level scandals (such as Swift Gate and Yomagate), the last third of his presidency had only two major scandals (IBM-Banco Nación and Arms Sales). Despite this difference, all three periods had high levels of corruption scandals, as news on misdeeds were common in newspapers, even making it to LAWR for more than twenty weeks in each of these two-year periods. That is, corruption scandals were the main news coming from Argentina for more than two months during each year from 1989 to 1995.

During Menem's second presidency there was more variation, as the first two years were defined by corruption scandals, with nine new scandals (for example, Yabrán and post service scandals), and thirty-eight weeks of coverage in LAWR. Meanwhile, there was a sharp decrease in corruption scandals during the second half of his presidency (1997–1999), with only a couple of new scandals emerging.

After ten years of Menem's government, de la Rúa was elected in 1999 on an anticorruption and transparency platform. His short two-year tenure was weighed down by a few resounding scandals (mainly, the senate bribery scandal), which were even more costly for de la Rúa due to the grim economic situation and his prior anticorruption campaign. Duhalde's presidency after the 2001 crisis had only one corruption scandal, with most attention being paid to the economic situation and incipient recovery.

Kirchner's presidency, much like Menem's second term, showed great variation in the number and intensity of corruption scandals. The first two years went by without major scandals, while from 2005 to 2007 six new corruption scandals erupted (for example, Skanska and Valija Gate) that generated twenty-five weeks of coverage in LAWR.

What explains this variation? Are corruption levels driving these changes in the number and intensity of corruption scandals? Are the media uncovering misdeeds during certain periods more than others? As previously stated, existing measures of actual corruption levels, however imperfect, provide little leverage in explaining the observed variation. For instance, CPI gives Argentina similar scores for 1998 through 2001, while the number and intensity of scandals did not remain constant. Similarly, some measures of press freedom also remained fairly stable throughout the period, unlike corruption scandals.<sup>26</sup>

Dynamics of Political Competition in Argentina An overall analysis of political configurations in Argentina from 1989 to 2007 provides support for the arguments advanced. As shown in Table 2, intragovernment competition was high or medium to high during all three congressional terms in Menem's first government, as a number of internal factions struggled for power and dominance. The main competing groups were the Peronist *Celestes*, pragmatists who had become market believers in the early 1990s, the also-Peronist Rojo Punzó, composed mainly of personal acquaintances from Menem's days as governor of La Rioja, and the Cavallistas, followers of Domingo Cavallo who was Menem's "star" economic minister. During this time, privatization processes also drove internal conflict, as different political insiders (Roberto Dromi, Erman González, and María Julia Alsogaray) acted as brokers for potential buyers of national enterprises and services.<sup>27</sup> Meanwhile, as shown in Table 3, the UCR opposition was weak after driving the country into crisis and having to leave office early in 1989. During this period, the PJ controlled both chambers of congress, as well as most of the governorships. The combination of high intragovernment conflict and a weak opposition posed many incentives and few constraints for insiders to leak information. As a result, many corruption scandals occurred during this period.

High levels of intragovernment competition also defined the first two years of Menem's second presidency (Table 2). Cavallo raised his profile even further, claiming to be the father of the model and the key guarantor of economic stability. Celestes grew closer to Cavallo, while the Rojo Punzó faction disliked him deeply. The feeling was mutual, which became evident as Cavallo denounced and pushed the Arms Sale scandal that shocked Argentina in 1995, 28 which implicated major figures among the Rojo Punzós. While conflict grew within the PJ, the opposition remained in disarray. The UCR came in third in the 1995 presidential election, discredited after signing the *Pacto de Olivos* that allowed for Menem's reelection. FREPASO, a coalition of former Peronists and small center-left parties, was still weak at the national level. The PJ had absolute majorities in both chambers of Congress, and fourteen provinces had PJ governors. There was simply no party that could compete with the PJ. In line with 466

theoretical expectations, this two-year period is the most scandal ridden of all periods analyzed, with nine new scandals generating thirty-eight weeks of coverage in LAWR (Table 1).

Table 2 IV: Intragovernment Competition in Argentina

| Period    | Intragovernment Competition                                   |             |  |  |
|-----------|---|-------------|--|--|
|           | Cabinet Dynamics  | Score       |  |  |
| Menem I   | 6 Cabinet Changes. Power struggle between two main factions:  | High        |  |  |
| 1989-1991 | Celestes and Rojo Punzó.                                      |             |  |  |
| Menem I   | 5 Cabinet Changes. Cavallo emerges as powerful figure,        | High        |  |  |
| 1991-1993 | deepening existing struggles between factions.                |             |  |  |
| Menem I   | 3 Cabinet Changes. Cavallo becomes more powerful, gets closer | Mid to High |  |  |
| 1993-1995 | to Celestes, brings balance between factions.                 |             |  |  |
| Menem II  | 4 Cabinet Changes. Cavallo enters important conflict with     | High        |  |  |
| 1995-1997 | Menem and supporters.   |             |  |  |
| Menem II  | 1 Cabinet Change. Cavallo is out. Rojo Punzó control cabinet. | Low to Mid  |  |  |
| 1997-1999 |   |             |  |  |
| de la Rúa | 6 Cabinet Changes. FREPASO starts with some cabinet posts,    | High        |  |  |
| 1999-2001 | later it loses them. Deep divisions among radicals.           |             |  |  |
| Duhalde   | 2 Cabinet Changes. All PJ cabinet members. After economic     | Low         |  |  |
| 2002-2003 | crisis there is little room for struggles.                    |             |  |  |
| Kirchner  | 2 Cabinet Changes. Kirchner does not hold cabinet meetings;   | Low to Mid  |  |  |
| 2003-2005 | Lavagna is only powerful figure in cabinet.                   |             |  |  |
| Kirchner  | 3 Cabinet Changes. Lavagna leaves government. Kirchner keeps  | High        |  |  |
| 2005-2007 | close circle of insiders; two opposing factions emerge.       |             |  |  |

Sources: Argentina's Official Bulletin: www.boletinoficial.gov.ar, Amorim Neto (2006), Keesing's record of world events: www.keesings.com.

At least partially due to the cross-accusations between Cavallistas and other factions within the government, Cavallo left the government in 2006. The internal turmoil and the many corruption scandals that emerged from cross-allegations among government insiders and a slowing economy after the Tequila Effect also had an impact on government approval and power. As the 1997 congressional elections approached, the two largest opposition forces (UCR and FREPASO) joined forces in the Alianza. As a result, PJ lost its absolute majority in the House of Representatives, with the Alianza a close second. Within government, the main source of conflict was removed after Cavallo resigned. Furthermore, the old division between Celestes and Rojo Punzó, which had punctuated the first years of Menem's government, was now deactivated. Political dynamics shifted, and now intragovernment competition was comparatively lower (disputes about succession between Menem and former Vice President Duhalde became a main source of conflict), and the opposition was more powerful, posing a viable electoral threat to the ruling PJ. In line with the present hypotheses, insiders' incentives to leak information were lower, and constraints were growing, as the opposition had become powerful. As expected, there were fewer corruption scandals during this period.

 Table 3
 IV: Interparty Competition in Argentina

| Period                 | Interparty Competition            |                                    |        |  |
|------------------------|-----------------------------------|------------------------------------|--------|--|
|                        | <b>Composition of Congress</b>    | Control of Governorships           | Score  |  |
| Menem I                | PJ has simple majority in House   | 17/23 Provinces in control of PJ.  | Low    |  |
| 1989–1991              | and absolute majority in Senate.  | UCR controls 2 provinces.          |        |  |
| Menem I                | PJ has simple majority in House   | 14/23 Provinces in control of PJ.  | Low to |  |
| 1991-1993              | and absolute majority in Senate.  | UCR controls 4 provinces.          | Mid    |  |
| Menem I                | PJ has simple majority in House   | 14/23 Provinces in control of PJ.  | Mid    |  |
| 1993-1995              | and absolute majority in Senate.  | UCR controls 4 Provinces.          |        |  |
| Menem II               | PJ has absolute majority in both  | 14/24 Provinces in control of PJ.  | Low    |  |
| 1995–1997 <sup>a</sup> | chambers.                         | UCR controls 5 Provinces.          |        |  |
| Menem II               | PJ has simple majority in House   | 14/24 Provinces in control of PJ.  | Mid to |  |
| 1997–1999              | and absolute majority in Senate.  | Alianza controls 5 Provinces.      | High   |  |
| de la Rúa              | Alianza has simple majority in    | 7/24 Provinces in control of       | High   |  |
| 1999–2001              | House. PJ has majority in Senate. | Alianza. PJ controls 15 Provinces. |        |  |
| Duhalde                | PJ has simple majority in House   | 14/24 Provinces in control of PJ.  | Low    |  |
| 2002-2003              | and absolute majority in Senate.  | Ex-Alianza control 9 Provinces.    |        |  |
| Kirchner               | FPV has simple majority in both   | 16/24 Provinces in control of PJ.  | Mid to |  |
| 2003-2005              | chambers with less than 40%.      | Ex-Alianza controls 6 Provinces.   | High   |  |
| Kirchner               | FPV has simple majority in        | 14/24 Provinces in control of PJ.  | Low    |  |
| 2005-2007              | House and majority in Senate.     | UCR controls 8 provinces.          |        |  |

Sources: Dirección Nacional Electoral, Ministerio de Interior.

Thereafter, de la Rúa's two-year presidency was once again defined by intragovernment tensions (Table 2). UCR and FREPASO had joined forces for the sole purpose of defeating the PJ, and once in power the differences became evident. From policy decisions to political appointments, both parties and their most prominent political leaders, President de la Rúa and Vice President "Chacho" Álvarez, respectively, seemed at odds almost from the start. For instance, the initial agreement to evenly distribute cabinet posts was soon broken by de la Rúa, favoring the UCR. In the meantime, the PJ, although internally divided after ten years in power, remained a powerhouse, keeping an absolute majority in the Senate and more than half the governorships. This combination of a high level of intragovernment competition and a strong and powerful opposition resulted in few but major corruption scandals. Members of FREPASO started leaving the government, as in perhaps the archetypical form of ship jumping, and Chacho Álvarez resigned from the vice presidency after pushing the Senate bribery scandal.

This scandal provides a good example of insider dynamics, as Álvarez himself is generally pointed to as the main source of the leak.<sup>29</sup> In short, the government coalition bought the votes of a number of senators in order to pass a highly controversial labor reform, which was both one of the main objectives of UCR and one of the main sources of disagreement within the unstable government coalition. The passage of this law served as the new platform for the increasing conflicts within the Alianza. Three months 468

<sup>&</sup>lt;sup>a</sup> Number of senators increased from 48 to 72 after Constitutional Reform of 1994.

after the controversial vote in the Senate, details about the bribery scheme came to light. Initial news coverage of the issue pointed to Álvarez as the source, and he kept pushing the issue until his resignation a few months later.<sup>30</sup> The continuous conflict within government and the generally high level of competition posed incentives for Álvarez to jump ship, while a relatively powerful but disorganized opposition posed few constraints. Moreover, the involvement of the PJ in the bribery scheme potentially allowed Álvarez to position himself as the only "clean" option in the political sphere.

The economic crisis forced de la Rúa out of office, and after a period of uncertainty, Duhalde became president. He faced low levels of intragovernment competition, with political conflict taking a back seat to economic turmoil. Despite the divisions within the PJ, Duhalde was able to avoid confrontations by quickly assuring that he would not stay beyond the completion of de la Rúa's mandate. Then, the internal disputes turned to the question of who would be the PJ candidate in the next presidential election, which was never settled as three different Peronist candidates ran for office in 2003. Duhalde faced little opposition, the Alianza was shattered, and the resulting pieces made up a weak and divided opposition. As a result, there were very few scandals during this period.

In 2003 Kirchner took office with little popular support, despite being backed by Duhalde and a small governing coalition that excluded the factions of Peronism that had run against him. Kirchner centralized most of the decisions in a small group of collaborators, leaving many cabinet members out of the loop, not holding cabinet meetings. As a result, during the first two years of his term, intragovernment competition was quite low, with Economy Minister Lavagna posing the only counterbalance to Kirchner's small and compact group of decision makers (Aníbal and Alberto Fernández, Julio De Vido, Alicia Kirchner, and Cristina Fernández). The opposition was increasingly fragmented (Table 3); while the UCR lost most of its historical support, a few center-right figures (including Ricardo López-Murphy, Mauricio Macri, and Jorge Sobich) started to emerge but lacked cohesiveness and party organization. On the center-left, Elisa Carrió and her Afirmación para una República Igualitaria (ARI) posed a vociferous yet weak opposition. Some right-wing Peronists, such as Alberto Rodriguez Sáa, Ramón Puerta, and Menem, also were part of the opposition. The low level of intragovernment competition, and the grim options posed by the opposition, resulted in few corruption scandals, as neither leap frogging nor ship jumping seemed viable.

During 2005–2007, intragovernment competition intensified (Table 2). Lavagna left the government, and two factions within Kirchner's close group of collaborators, *Albertistas* and *Pingüinos* (Penguins), struggled to become prevalent. Albertistas were led by Alberto Fernández, and were made up mostly of Peronists from Buenos Aires. Pingüinos were led by Julio De Vido, and consisted of old Kirchner collaborators from his time as governor of Santa Cruz. Furthermore, the government coalition became larger and included some UCR governors, known as *Radicales K*. As Kirchner's popularity grew, the opposition became even weaker (Table 3). The government secured an absolute majority in the Senate, and a large majority in the House of Representatives, while controlling over two-thirds of the governorships. The increased internal competition, and the lack of constraints due to a weak and divided opposition, generated a

number of cross-allegations of corruption, with Skanska and Valija Gate hitting close to De Vido, and the Miceli and Picolotti scandals hurting Alberto Fernández.

The possible combinations of intragovernment and interparty competition result in four categories (Table 4). In support of the hypotheses advanced, there are more and more relevant scandals in periods when insiders have high incentives to leak information, which shows that high internal competition led to a prevalence of corruption scandals during certain periods. Furthermore, the hypotheses predicted that high intragovernment competition and low interparty competition would result in leap frogging, while higher levels of interparty competition, paired with high levels of intragovernment competition could result in ship jumping. In line with these arguments, Table 4 shows that all cases with high levels of corruption scandal are on the right-hand side, with high or medium to high intragovernment competition. Within those, the periods with fewer but more resonant scandals correspond to higher levels of interparty competition, which is consistent with the idea that these cases may have had more instances of ship jumping than leap frogging (which tends to produce chains of scandals). Lastly, the three cases with low levels of corruption scandals correspond to periods with low intragovernment competition.

 Table 4
 Argentine Cases

|                        |             | Intragovernment Competition |                      |
|------------------------|-------------|-----------------------------|----------------------|
|                        |             | Low and Low to Mid          | High and Mid to High |
| Interparty Competition | Low and     | Duhalde (02-03)             | Menem (89–91)*       |
|                        | Low to Mid  | Kirchner (03–05)            | Menem (91–93)*       |
|                        |             |                             | Menem (95–97)*       |
|                        |             |                             | Kirchner (05–07)*    |
|                        | Mid to High | Menem (97–99)               | de la Rúa (99-01)*   |
|                        |             |                             | Menem (93–95)*       |

<sup>\*</sup> Indicates scandal-ridden periods.

#### Chile: Politics and Scandals after the Transition

In line with conventional wisdom, Chilean politics produced fewer scandals than Argentina. However, of the fifteen scandals that appeared in LAWR, thirteen made it to the front page of national newspapers, and the average duration of each scandal in LAWR was over five weeks (30 percent longer than Argentinean scandals). Chile's gradual transition to democracy explains the lack of national-level corruption scandals during Aylwin's presidency (the only two scandals actually involved members of Pinochet's regime). As Ascanio Cavallo notes, military forces were still powerful, and the stability of democracy was far from ensured.<sup>31</sup> Therefore, there was little competition within the new democratic government. After those initial years, more corruption scandals emerged, as political conflicts and debates shifted away from the stability of the regime and toward struggles for the control of democratic power. In fact, some periods 470

were characterized by the recurrence of scandals. Hence, and similar to Argentina, corruption scandals in Chile were not evenly distributed through time.

Table 5 DV: Corruption Scandals in Chile

| Period             | Corruption<br>Scandals | Total Weeks in<br>LAWR | Front Page of Newspapers | Level of<br>Scandal |
|--------------------|------------------------|------------------------|--------------------------|---------------------|
| Aylwin 1990–1992   | 2                      | 5                      | 1                        | Low                 |
| Aylwin 1992–1994   | 0                      | 0                      | 0                        | Low                 |
| Frei 1994–1996     | 1                      | 8                      | 1                        | Mid                 |
| Frei 1996–1998     | 1                      | 1                      | 0                        | Low                 |
| Frei 1998–2000     | 0                      | 0                      | 0                        | Low                 |
| Lagos 2000-2002    | 4                      | 20                     | 4                        | High                |
| Lagos 2002-2004    | 4                      | 21                     | 4                        | High                |
| Lagos 2004–2006    | 0                      | 0                      | 0                        | Low                 |
| Bachelet 2006-2008 | 3                      | 22                     | 3                        | High                |
| TOTAL              | 15 Scandals            | 77                     | 13                       |                     |

Sources: LAWR, La Tercera, El Mercurio, La Nación.

Table 5 shows differences in the number and intensity of scandals, even within presidencies. After Aylwin's relatively scandal-free presidency, Frei experienced the first Chilean national-level scandal after the transition, involving Codelco. During Lagos's first four years in office, Chile experienced eight corruption scandals (such as MOP Gate and Inverlink) that generated forty-one weeks of LAWR coverage. Conversely, during the last two years of his term, no new corruption scandals came to light. Bachelet's first two years in office went back to similar levels of scandal as in Lagos's initial years, with only a few scandals generating lots of media attention (such as Chiledeportes and Publicam).

As in the case of Argentina, neither measures of corruption nor press freedom account for the observed variation in corruption scandals in Chile. For instance, the difference between Lagos's first four years and last two in office is evident. What explains this difference? Did the press stop reporting even after equating corruption to violations of human rights during Pinochet's dictatorship?<sup>32</sup> Did anticorruption policies actually work and corruption diminish? Once again, these explanations seem unlikely.

**Political Competition Dynamics in Chile** An analysis of Chile from 1990 to 2008 provides further support for the arguments advanced, even if corruption scandals constitute rare events compared to Argentina. Table 6 reveals that the Concertación kept intragovernment competition in check during the first years after the transition. Aylwin managed a young Concertación, where the DC was the dominant force, and the other parties in the coalition played along in light of the remaining military threat. The opposition was composed of a coalition formed in 1989 between RN and UDI, known today as the Alianza. During Aylwin's presidency, the opposition was powerful. What it lacked in popular support (Concertación won every election since 1990), it compensated for in institutional strength. Among other things, the military had insisted on the presence of nine designated senators that ensured

an opposition majority in the Senate. The low levels of intragovernment competition posed little incentive for insiders to leak information, while the power of the opposition generated constraints, resulting in very few corruption scandals during this period (Table 5).

As the DC continued in power during Frei's government, the transition to democracy seemed complete. Some internal conflicts emerged in 1994–1996 as the PS, PPD, and PRSD slowly began competing to see who would obtain the presidential candidacy after two straight DC presidencies.<sup>33</sup> The disputes became less prevalent during 1996–1998, since all parties in the Concertación peacefully coordinated their candidacies for the upcoming municipal elections.<sup>34</sup> Conflict diminished in 1998–2000 when the PS managed to establish Lagos as the next Concertación candidate with over 70 percent of the vote in the primaries. Meanwhile, the electoral problems of the opposition increased in the presidential election that designated Frei as president. Parties in the Alianza filed separate candidates, and overall received about 30 percent of the vote, compared to 57 percent received by the Concertación. However, the opposition retained some strength in 1994–1996 thanks to its institutionally established, and apparently invulnerable, majority in the Senate. The subsequent municipal elections again showed high levels of popular support for the Concertación, as it achieved absolute majorities of Alcaldes and Concejales. In the last two years of Frei's government, interparty competition grew as economic conditions worsened, and Pinochet's detention in England allowed the Alianza and its presidential candidate, Lavín, to "distance himself from the octogenarian general."35 In line with theoretical expectations, corruption scandals remained at relatively low levels during Frei's presidency. The important exception was the Codelco scandal, which coincided with the period of higher intragovernment competition.

Lagos took office after narrowly defeating Alianza candidate Lavín in the run-off election. As the first Concertación president not coming from the centrist DC, he faced important challenges within the coalition. The tensions between the leftist parties (PPD and part of PS) pushing for a "true" social democratic presidency after ten years of market policies, and the centrist DC that supported a continuation of prior policies, were prevalent and growing. Meanwhile, the divisions inside Alianza generated a sense of a weak opposition that simply was unable to defeat the Concertación in national elections.

Within this context, there were plenty of incentives to leak information, and few constraints posed by a weak opposition. In line with the hypotheses presented, cross-allegations of corruption did not take long to appear. The compensation scheme scandal, which according to *La Tercera* "emerged from fights within the Concertación," started a series of counterallegations, mainly between PPD and DC, generating an array of new scandals (including Golden Handshakes and Bribes in Health Sector) and magnifying the MOP-Gate scandal.

The Concertación paid the price for these scandals in the subsequent legislative elections, losing over 10 percent of the seats held in the lower house. However, the opposition remained weak and divided, leaving the door open to struggles within the Concertación. The Corfo, Inverlink, and Roncagua Bribes scandals took front stage and defined the middle of Lagos's presidency. These scandals provide an example of how internal division can lead to cross-allegations that result in multiple corruption scandals, as the story-line of each one is connected to the others.<sup>37</sup> By the end of this two-year period, the 472

opposition was on the upswing as Lavín was leading presidential polls for 2006,<sup>38</sup> and the government coalition seemed to be going toward its first electoral defeat. Under these conditions, the Concertación closed ranks and decided to go against a tradition of behind-closed-doors decisions, letting popular support decide the next presidential candidate. The political dynamics shifted, and now the opposition power posed constraints on insiders to leak information. As a result, Chile went from having eight new scandals and forty-one weeks of coverage in 2000–2004 to no new scandals in 2004–2006.

Despite Lagos's greatly increased popularity during his last two years in office, the Concertación faced a difficult presidential election in 2006. Somewhat surprisingly, and partly due to divisions within the Alianza between Lavín and Piñera, Bachelet won the presidency, keeping the Concertación in power. Her initial attempts to renew the government coalition by appointing young and apparently inexperienced collaborators angered the old guard of both the PS (her party) and the DC.<sup>39</sup> These decisions generated a great deal of internal conflict, while the electoral defeat left the opposition even more divided. Lavín's power weakened, and Piñera was the self-proclaimed new leader of the opposition. In 2006–2008 the Concertación had, for the first time, majorities in both chambers of Congress. Moreover, Bachelet appointed a new General Accounting Office (GAO), which had an "amplifying" effect, investigating and calling more attention to cases of corruption. As a result, corruption scandals went back to levels only seen during the first years of Lagos's term (Tables 6 and 7).

 Table 6
 IV: Intragovernment Competition in Chile

| Period    | Intragovernment Competition  |                                   |        |  |
|-----------|------------------------------|-----------------------------------|--------|--|
|           | Leg. Seats & Municipal Posts | Cabinet Dynamics                  | Score  |  |
| Aylwin    | House: 32% DC, 7% PPD, 13%   | 0 Cabinet Changes. All coalition  | Low    |  |
| 1990-1992 | PS. Senate: 24% DC, 11% PS   | parties in cabinet. DC dominates. |        |  |
| Aylwin    | Alc: 31% DC, 8% PS, 8% PPD.  | 1 Cabinet Change. All coalition   | Low    |  |
| 1992–1994 | Conc: 29% DC, 9% PS, 9% PPD  | parties in cabinet. DC dominates. |        |  |
| Frei      | House: 31% DC, 12% PPD, 13%  | 2 Cabinet Changes. Add PPD        | Mid    |  |
| 1994–1996 | PS. Senate: 25% DC, 11% PS   | (Lagos) and PS figures (Insulza). |        |  |
| Frei      | Alc: 27% DC, 11% PPD. Conc:  | 4 Cabinet Changes. Changes        | Low to |  |
| 1996–1998 | 26% DC, 12% PPD, 11% PS      | bring back DC figures.            | Mid    |  |
| Frei      | House: 32% DC, 13% PPD, 9%   | 2 Cabinet Changes. Rotation:      | Low    |  |
| 1998-2000 | PS. Senate: 29% DC, 8% PS    | Lagos set as candidate early on.  |        |  |
| Lagos     | Alc and Conc: 24% DC, 11%    | 1 Cabinet Change. Balance of      | High   |  |
| 2000-2002 | PPD, 11% PS.                 | forces. DC not as dominant.       |        |  |
| Lagos     | House: 15% DC, 16% PPD.      | 4 Cabinet Changes. Conflicts      | High   |  |
| 2002-2004 | Senate: 25% DC, 10% PS       | emerge between PPD and DC.        |        |  |
| Lagos     | Alc: 22% DC, 12% PS. Conc:   | 4 Cabinet Changes. Coalition      | Mid    |  |
| 2004–2006 | 20% DC, 11% PS, 10% PPD      | closes rank; conflicts disperse.  |        |  |
| Bachelet  | House: 13% CD, 16% PPD, 13%  | 5 Cabinet Changes. Bachelet       | High   |  |
| 2006–2008 | PS. Senate: 11% DC, 18% PS   | puts new people in cabinet.       |        |  |

Sources: Political Database of The Americas (OAS), Servicio Electoral República de Chile, Biblioteca del Congreso Nacional de Chile, Amorim Neto (2006), www.keesings.com.

 Table 7
 IV: Interparty Competition in Chile

| Period    | Interparty Competition            |                                  |        |  |
|-----------|-----------------------------------|----------------------------------|--------|--|
|           | Composition of Congress/          | Fragmentation of Opposition      | Score  |  |
|           | Municipal Election                |                                  |        |  |
| Aylwin    | Concertación has abs. majority in | RN has twice seats of UDI. 15%   | High   |  |
| 1990-1992 | House. Opp. controls Senate.      | of Senate taken by Military.     |        |  |
| Aylwin    | Concertación wins majority of     | RN gets twice the votes of UDI.  | High   |  |
| 1992-1994 | Concejales and Alcaldes.          |                                  |        |  |
| Frei      | Concertación has abs. majority in | RN has twice the seats of UDI.   | Mid to |  |
| 1994-1996 | House. Opp. controls Senate.      |                                  | High   |  |
| Frei      | Concertación wins majority of     | Smaller gap between RN and       | Low to |  |
| 1996-1998 | Concejales and Alcaldes.          | UDI.                             | Mid    |  |
| Frei      | Concertación has abs majority in  | RN has more seats in House,      | Mid to |  |
| 1998-2000 | House. Opp. majority in Senate.   | UDI has more seats in Senate.    | High   |  |
| Lagos     | Concertación wins majority of     | RN & UDI tied for votes in       | Low    |  |
| 2000-2002 | Conc. and Alc.                    | municipal election.              |        |  |
| Lagos     | Concertación has majority in      | UDI gets 10% more votes than     | Low to |  |
| 2002-2004 | House. Virtual tie in Senate.     | RN.                              | Mid    |  |
| Lagos     | Concertación retains majority.    | RN and UDI get almost same %     | High   |  |
| 2004-2006 | Opposition increases vote.        | of votes.                        |        |  |
| Bachelet  | Concertación wins simple majority | RN & Alianza tied in votes. Fail | Low    |  |
| 2006-2008 | in both chambers.                 | to present single candidate.     |        |  |

Sources: Political Database of The Americas (OAS), Servicio Electoral República de Chile.

As in Argentina, the possible combination of intragovernment and interparty competition results in four categories. The findings support the hypotheses advanced. There are more and more relevant corruption scandals during periods when insiders have high incentives and low constraints to leak information. In contrast to Argentina, the power of the opposition seems to pose a tighter constraint. This finding can be explained by the difficulties of jumping ship in a political system where there is a clear ideological distance between the Concertación and the Alianza. Hence, the dominant strategy for insiders when intragovernment competition is high is to attempt to gain power within

Table 8 Chile

|                        |             | Intragovernment Competition |                   |
|------------------------|-------------|-----------------------------|-------------------|
|                        |             | Low and Low to Mid          | Mid to High       |
| Interparty Competition | Low and     | Frei (96–98)                | Lagos (00-02)*    |
|                        | Low to Mid  |                             | Lagos (02-04)*    |
|                        |             |                             | Bachelet (06-08)* |
|                        | Mid to High | Aylwin (90–92)              | Frei (94–96)      |
|                        |             | Aylwin (92–94)              | Lagos (04–06)     |
|                        |             | Frei (98–00)                |                   |

<sup>\*</sup> Indicates scandal-ridden periods.

their existing coalition. The data presented track the emergence of corruption scandals in Chile, which become more prevalent as the internal struggles within the Concertación emerge after democracy is consolidated. The analysis suggests that competition within government and among coalitions drives the likelihood of corruption scandals in Chile (Table 8).

#### Conclusion

Corruption scandals have become an important aspect of politics during the last twenty years in Latin America and other regions. Chile and Argentina are no exception. The question why corruption scandals come to light has previously received only partial answers. This article provides evidence that complements the views that extol the role of watchdog journalism in triggering corruption scandals. It also calls into question the assertion that more corruption leads to more corruption scandals, at least in longitudinal analyses within countries. Moreover, since most measures of corruption are based on perceptions, it may be that the relative prevalence of scandals in some countries determines whether a country is considered corrupt.

Political competition within parties or coalitions in power leads to the emergence of corruption scandals. This finding provides a counterintuitive insight regarding the role of the opposition. While a strong opposition has been associated with higher levels of accountability,<sup>40</sup> which would lead to more corruption scandals, in fact the strength of the opposition actually leads to a cover-up of corruption, paradoxically hindering its coming to light.

The analysis of contemporary Argentina and Chile reveals that variation through time in the number and significance of scandals can be explained by analyzing the sets of incentives and constraints that political insiders face to denounce official wrongdoing. Intragovernment and interparty competition shape incentives and constraints, therefore defining when corruption scandals are more likely to happen. Different political systems and overall trajectories of political competition, as seen in Argentina and Chile, are shaped by different history and institutional rules. These structural and institutional variables can help explain different trends of intragovernment and interparty competition and hence the likelihood of corruption scandals. In the Chilean case, the unique binominal electoral system shapes political competition within coalitions and between them. 41 Current proposals seek to reform the binominal system that would affect political competition, and therefore could change the future incidence of corruption scandals. In the Argentinean case, the existence of a popular catchall party—Peronism—shapes the political arena. Most struggles for power happen within Peronism, which heightens intraparty political competition, making corruption scandals more likely. Furthermore, given the popularity of Peronism, the only way for opposing forces to win the presidency since Alfonsín's election in 1983 was to form a coalition that shared little other than their non-Peronism, resulting in a government that underwent important corruption scandals as a consequence of its internal divisions.

Going beyond the studied cases, the analytical framework presented in this article potentially applies to other contexts. Within Latin America, preliminary evidence suggests that similar dynamics may have been at play in Brazil, particularly in the Mensalão scandal, <sup>42</sup> and in Mexico. <sup>43</sup> The main arguments of this article may also be relevant in Europe. Corruption scandals in Spain are described by Fernando Jiménez as "the result of political struggles among …elites," and with regard to Germany Frank Esser and Uwe Hartung point to "rivals in one's own party" as potential denouncers given their political incentives. <sup>44</sup> In short, although further systematic research is needed in order to empirically assess the arguments advanced in other political environments, a cursory look at corruption scandals outside of Argentina and Chile suggests similar mechanisms may occur.

Turning to a policy perspective, usually most efforts to fight corruption are in some way related to the publicity of corrupt acts. Reforms that attempt to make government more transparent are thought to address corruption by making it more likely that corrupt acts will become known by society. The idea of establishing control agencies rests on a similar logic—if politicians believe their actions will become known and think they will be accountable for them, they may abstain from performing corrupt acts. The threat of publicity arguably acts as a deterrent for corruption. The creation of control agencies is expected to produce more corruption scandals, at least in the short run. This was the case in Chile, particularly during Bachelet's term. In the long run, the expectation is that agencies will reduce overall levels of corruption. However, these expectations do not take into account that most control agencies are reactive, requiring an external denunciation in order to begin their investigations. Hence, control agencies become amplifiers that provide more information on official wrongdoings, aiding in the spread stage.

In all, anticorruption policies usually do not consider how corruption becomes a scandal, resting on the assumption that control mechanisms and the media somehow uncover misdeeds. The findings presented in this article, which help explain how corruption comes to light, provide a different perspective that takes into account political competition.

#### NOTES

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- 1. The Corruption Perception Index (Transparency International) shows little year-by-year variation. From 2002–2008, Chile's values ranged between 6.9 and 7.5, and Argentina's between 2.5 and 2.9. http://www.transparency.org/policy\_research/surveys\_indices/cpi.
  - 2. Daniel Kaufmann, "Corruption: The Facts," Foreign Policy (1997): 114-31.
- 3. Enrique Peruzzotti and Catalina Smulovitz, eds., *Enforcing the Rule of Law* (Pittsburgh: University of Pittsburgh Press, 2006); Enrique Peruzzotti, "Media Scandals and Social Accountability," in Peruzzotti and Smulovitz, pp. 249–71; Silvio Waisbord, "Reading Scandals," in Peruzzotti and Smulovitz, pp. 272–303; John Thompson, *Political Scandal* (Cambridge: Polity Press, 2000).
  - 4. Kurt Weyland, "The Politics of Corruption in Latin America," Journal of Democracy, 9 (April 1998): 108–21.
- 5. Charles Davis et al., "The Influence of Party Systems on Citizens' Perceptions of Corruption and Electoral Response in Latin America," *Comparative Political Studies*, 37 (August 2004): 677–703.

- 6. www.latinobarometro.org.
- 7. Kathryn Hochstetler, "Rethinking Presidentialism," Comparative Politics, 38 (July 2006): 401-18.
- 8. This definition is widely used in the literature. Joseph Nye, "Corruption and Political Development," *The American Political Science Review*, 61 (1967): 417–27.
- 9. Theodore Lowi, "Foreword," in Andrei Markovitz and Mark Silverstein, eds., *The Politics of Scandal* (New York: Holmes & Meier Publishers, 1988), p. vii.
  - 10. Thompson, p. 72.
- 11. Journalists interviewed by the author pointed out the importance of inside sources. Personal interviews, in Argentina with Jorge Lanata, September 5, 2006, and Pablo Abiad, October 27, 2006; in Chile with Javier Ortega and Andrea Insunza, April 26, 2007, and Claudia Lagos, April 27, 2007.
  - 12. Thompson, p. 78.
- 13. Even proponents of arguments that emphasize the importance of watchdog journalism recognize the reactive nature of media and civil society. Silvio Waisbord, *Watchdog Journalism in South America* (New York: Columbia University Press, 2000), pp. xxiii, 93, and 197; Peruzzotti, p. 266.
- 14. The Mensalão scandal in Brazil emerged thanks to the counterallegations produced by Roberto Jefferson. See Carlos Pereira et al., "Coalitional Presidentialism and Side Payments," Brazilian Studies Programme, University of Oxford, Latin American Centre (2008), p. 16.
  - 15. Waisbord, "Reading Scandals," p. 196.
- 16. Howard Tumber and Silvio Waisbord, "Political Scandals and Media across Democracies," *American Behavioral Scientist*, 47 (April 2004), p. 1034.
- 17. There are parallels between the internal competitive dynamics of coalitions and parties. Richard Rose, "Parties, Factions, and Tendencies in Britain," *Political Studies*, 12 (February 1964): 33–46; and Ralph Nicholas, "Factions," in Stuart Isaacs and Michael Banton, eds., *Political Systems and the Distribution of Power* (London: Tavisstock Publications, 1965), pp. 21–61.
- 18. David Apter, "Reflections on the Role of a Political Opposition in New Nations," *Comparative Studies in Society and History*, 4 (January 1962), p. 157.
  - 19. The ideological distance of the opposition can also generate a constraint to trigger a corruption scandal.
  - 20. George Tsebelis, Nested Games (Berkeley: University of California Press, 1991).
- 21. LAWR has been employed by a number of researchers. See Hochstetler, pp. 401–18; and Aníbal Pérez-Liñan, *Presidential Impeachment* (New York: Cambridge University Press, 2007), pp. 64–69.
  - 22. www.latinnews.com/lwr\_/LWR\_2315.asp.
- 23. Data on cabinet formation were not available in a single database. The author collected data looking at official bulletins and secondary sources.
- 24. Octavio Amorim Neto, *Presidencialismo e Governabilidade nas Américas* (Rio de Janeiro: Editora FGV, 2006).
- 25. See Robert Dahl, *Political Oppositions in Western Democracies* (New Haven: Yale University Press, 1966), pp. 348–86.
  - 26. www.freedomhouse.com.
- 27. Javier Corrales, "Do Economic Crises Contribute to Economic Reform?" *Political Science Quarterly*, 112 (1997–1998), p. 644.
  - 28. Daniel Santoro, Venta de Armas (Buenos Aires: Editorial Planeta, 1998).
- 29. A number of key informants pointed to Álvarez as the main source of the leak. See Fernando de la Rúa, *Operación Política* (Buenos Aires: Editorial Sudamericana, 2006), pp. 195–279; Mario Pontaquarto, *El Arrepentido* (Buenos Aires: Editorial Sudamericana, 2005), p. 117; and Graciela Fernández Meijide, *La Ilusión* (Buenos Aires: Editorial Sudamericana, 2007), p. 202.
  - 30. "Carencias y Defectos del Gobierno," La Nación, June 25, 2000.
  - 31. Ascanio Cavallo, La Historia Oculta de la Transición (Santiago: Editorial Grijalbo, 1998).
- 32. An article published in *El Mercurio*, March 11, 2002, "El Memorial de la Corrupción," pointed to parallels with the Memorial for the detained/disappeared.
  - 33. Cavallo, La Historia, p. 122.
  - 34. Ibid., pp. 129-32.
- 35. Patricio Navia, "El Efecto Lavín en las elecciones municipales del año 2000 en Chile," Paper presented at the annual meeting of the Latin American Studies Association, Washington, D.C., September 2001, p. 4.
  - 36. La Tercera, October 10, 2000.
  - 37. Hugo Traslaviña, Inverlink (Santiago: Editorial Planeta, 2003).
  - 38. Centro de Estudios Públicos, Estudio Nacional de Opinión Pública, June-July 2004.
  - 39. Eduardo Engel and Patricio Navia, Que Gane el Más Mejor (Santiago: Random House, 2006), p. 110.

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- 41. Carlos Huneeus, "La Necesidad de la Reforma Electoral," in Carlos Huneeus, ed., La Reforma al Sistema Binominal (Santiago: Catalonia, 2006), pp. 13-44.
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- 43. Stephen Morris, "Corruption and Democracy at the State Level in Mexico," in Charles Blake and Stephen Morris, eds., Corruption and Democracy in Latin America (Pittsburgh: University of Pittsburgh Press, 2009), pp. 169-76.
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  44. Fernando Jiménez, "The Politics of Scandal in Spain," *American Behavioral Scientist*, 47 (April 2004), p. 1099; Frank Esser and Uwe Hartung, "Nazis, Pollution, and No Sex," *American Behavioral Scientist*, 47 (April 2004), p. 1045.