

**CEPPS/IRI Quarterly Report:  
January to March, 2005**

**Peru: Promoting Political Stability by Improving Government Communications  
USAID Grant: DGC-A-00-01-00004-00**

**April 15, 2004 to May 31, 2005**

**Total Budget: \$200,000**

**Expenses to date: \$173,932**

---

**I. SUMMARY**

When Peruvian President Alejandro Toledo was elected in 2001, he inherited the difficult task of strengthening the country's democratic institutions following the resignation of former President Alberto Fujimori. President Toledo made many promises to promote economic growth and social development – promises that voters perceive as having remained unfulfilled. In fact, today most Peruvian citizens find that their standard of living has not improved and institutions still remain weak. Disillusioned with the president's leadership, voters have indicated through recent polls that they would prefer an authoritarian leader over a representative democracy if it meant greater economic prosperity and social stability. Although Peru has experienced notable levels of economic growth in the past two years, the Toledo government has not been effective in communicating progress achieved, and is often labeled as politically ineffective and lacking a clear, long-term strategy.

To address this issue, the United States Agency for International Development (USAID) authorized IRI to deploy a specialized task force of political communications experts to Peru to: 1) assess the overall communications capacity of the government; 2) evaluate the government's communications strategy; and 3) provide strategic advice on message development and other communication tools. For two weeks in April of 2004, IRI conducted a thorough evaluation of the government's current communications strategy. IRI then presented its findings and recommendations to the president and his cabinet. At the conclusion of the presentation, the president expressed his satisfaction with IRI's work and announced his decision to proceed with the plan. To support the implementation phase of the communications plan, USAID authorized IRI to conduct continued consultations and training activities with the government.

**II. BACKGROUND**

During the first quarter of 2005, Peru's political environment was rather tumultuous. On January 1<sup>st</sup>, a paramilitary group known as Movimiento Etnocacerista took over the Andahuaylas police station and held several hostages. After three days of negotiations, the

government regained control of the police station, but not without the killing of four policemen and of two insurgents. Some consider the incident an isolated event, but others link it to the military's discontent with the president's latest reassignment of duties within the army. Nevertheless, a notable element of this uprising was the locals' willingness to take to the streets in support of the insurgents.

In January, President Alejandro Toledo's approval ratings reached a record low, ranging between 9% and 12%. A factor that contributed to this drop is a series of developments in a much publicized case of fraudulent signature collection from when the President's party was first created. In addition to the Public Ministry's current investigation, a congressional commission called for a hearing on March 23<sup>rd</sup> inviting President Toledo to testify on his knowledge of and participation in the alleged fraud.

In February, the Constitutional Court ruled that former President Alberto Fujimori cannot run for the 2006 elections. Nevertheless, the APRA party expressed interest in talking with the fujimoristas. In the interim, other political parties have initiated talks to create an alliance. The two major groups are Accion Popular (AP), led by former President Paniagua, and Partido Popular Cristiano (PPC), led by Lourdes Flores. Neither one of these groups currently holds a high approval rating. The mayor of Lima, of Solidaridad Nacional, has an approval rate of 85%, but he has already confirmed that he will not run for president.

As parties begin to prepare for the 2006 campaigns, polls continue to show that 58% of the population is not satisfied with democracy in Peru. At the same time, the same polls show that 80% of the people have little or no trust on the media, and 72% find that there is an inadequate use of freedom of expression.

### **III. PROGRAM ACTIVITIES**

At the beginning of 2005, IRI consultant Ralph Murphine analyzed national polls conducted in the months of November and December of 2004, and presented the following recommendations:

- **NEED FOR MORE PUBLICITY OF CURRENT GOVERNMENT PROGRAMS.** The national government fails to educate people about the current programs, thus losing an opportunity to increase popular approval. The government's communications team should therefore focus on increasing citizens' knowledge of the current programs.
- **NEED FOR MORE COMMUNICATION WITH THE INTERIOR OF THE COUNTRY.** The executive has neglected to regularly and effectively communicate with the interior of the country. The communications team has wrongly assumed that Lima, representing the largest concentration of citizens, is the most important area in which to work. However, two-thirds of the population does not live in or near Lima.
- **NEED FOR MORE COMMUNICATION WITH UPPER CLASSES/LEADERS.** The government's communications team has wrongly assumed that only the lower social classes that benefit from the government's programs should be the target group for an effective communications strategy. However, even if not directly affected by the programs, the middle and upper classes represent the decision-makers of the country and

must therefore be kept informed. If they are poorly informed, they cannot promote, nor defend, these programs to the lower classes that they may represent.

- **NEED FOR PROGRAM ENDORSEMENTS BY THE MINISTERS.** Citizens respond more positively to a program that is publicly and directly endorsed by a government's representative. However, with few exceptions, cabinet members have not personally engaged in publicly promoting those programs that fall under their portfolios.

These recommendations are based on public opinion surveys conducted over the past several months. IRI's consultants provided their analysis of the polls to the government's communications team throughout the quarter in an attempt to define a communications plan that includes the ministries as well.

## **January**

At the beginning of the year, President Toledo met with his communications team and IRI's consultants to present his agenda for the remaining 17 months of his term. In follow-up meetings with his communications team, President Toledo gave a more thorough presentation of the projects on which he wishes to focus (*See Attachment 1*). The president clearly indicated the need to advance social and infrastructure projects, and he requested that the team work on a communications strategy to publicly promote each initiative.

Assisted by IRI's consultants, the team began to organize the information needed to develop a strategic plan aimed at effectively communicating the purpose of these projects. The consultants and the team created a matrix chart to both categorize and better visualize the areas that need to be addressed. However, as the development of these strategies got underway, it became clear that more information was needed from the institutions responsible for implementing each program. This is a clear indication of the weak channels of communication between the executive and the ministries. As a result, the development of these particular communication strategies has been slowed as more information is gathered.

A crucial part of the president's new agenda is the subsidy program that would provide approximately 100 soles (\$30) a month to citizens who fall below the poverty line. While in the very first stages of talks on this program, a leak from the government triggered an escalation of public discussions on this initiative. This came at a time at which the government had not yet worked out the logistics of implementing such program, let alone a communications plan for it. This unanticipated event worked directly against the executive. Because the public did not see the prompt implementation of the subsidy program once they became aware of it, the president was once again seen as unable to deliver on his promises.

## **February**

In an effort to assist the government's communications team undo the damage caused by the early leak on the subsidy program, IRI's consultants advised the president to take immediate actions to implement the program, and have his communications team aggressively endorse it. The president did indeed push to finalize all the logistics behind the subsidy program, and focused his next meetings on introducing this new initiative to his team. This new communication focus marked a sudden shift in the government's public discourse. As a result, a more positive public message on the future of Peruvian citizens – backed by the soon-to-be implemented subsidy system – replaced the president's previous focus on fighting

the negative conspiracy theories against him. This new focus sought to recuperate the support of 70% of Peruvian voters who indicated that they found Toledo's incessant self-defense disdainful and disingenuous.

## **March**

In March, the president held a meeting with his communications team to prepare a strategy for upcoming events. He asked that his team make the public aware of the most important activities and events that he had planned. With the help of IRI's consultants, the president's Director of Communications, Juan de la Puente, prepared and circulated a document titled "*Matriz de Comunicaciones Febrero 2005 – Julio 2006*", which lays out the guidelines for covering a presidential event.

IRI's consultants recommended that the communications team act on implementing communication strategies for each program laid out in the president's agenda (*See Attachment 1*). The team responded by setting up meetings with the different ministers in order to gain a better understanding of each program. In a meeting with the president, IRI's consultants emphasized the need for him to name a coordinator for each ministry specifically tasked with gathering more information on the programs and providing it to the communications team so that their message might be as accurate and effective as possible.

For a detailed chart of the consultants' travel in this quarter, please refer to Attachment B.

## **IV. RESULTS/ACCOMPLISHMENTS**

*Result 1: Government ministries and the office of the president implement communications strategies that are effective, transparently-developed, responsive to citizen needs and concerns, and issue-oriented.*

By the end of the quarter, the president's approval rating reached 13.8%, the highest percentage since the beginning of this program. Although the rate is double that of a year ago, the president's approval remains low.

Relevant to President Toledo's disapproval rate is a conclusion drawn by IRI consultant, Ralph Murphine, after a year of working with the government's communications team. Mr. Murphine noted that the president's image is poor not because of bad media coverage, but rather because of a failure on the part of the government to create and implement a long-term and effective mass and direct media program that regularly and effectively reached the Peruvian public.

From a more programmatic perspective, IRI's objectives have been hindered by the inability of the president's communications team to understand that government communications cannot be the responsibility of a single person. The ministers rarely share the president's spotlight when an issue that falls under their portfolio is being publicly addressed. This has led the president to have to solely defend himself and the government before the public. The achievement of IRI objectives has been hindered in part by a communications team that does not recognize the need to involve the ministers in a plan where they can each take a definite role in the public discourse.

Furthermore, IRI's consultants noted that the government's communications team needs to better take into account the information polls provide. For instance, while the team focuses on responding to the Lima political press, polls indicate that people in Peru are distrustful of the media. It would seem clear then that using a lot of time and effort in developing strategies and responses to what the press says each day is a waste of energy and resources. The communications team, unfortunately, has ignored this polling data and continues to engage the Lima press in an incessant back and forth dialogue.

IRI will use the conclusions drawn above in the design of next quarter's activities so that the government's communications team will be better able to implement strategies that are effective, transparently-developed, responsive to citizen needs and concerns, and issue-oriented.

*Result 2: Media reporting of government activity as well as relevant political developments becomes more professional and impartial.*

There are no results to report at this time.

## **V. EVALUATION**

### President

Public awareness of the president's subsidy plan, sided by the lack of a prompt implementation of such program, reinforced the image of a president who fails to meet his promises.

In February, although the president focused his public discourse on promoting the new subsidy plan, he later shifted back to a more negative communications approach of responding to the numerous conspiracy theories against him. Despite polls that show that 70% of the citizens disapprove of the president's insistence on fighting these accusations, he remains focused on this negative communications strategy.

### Other Spokespersons

Given the lack of an executive communications plan that involves the president's entire cabinet, some ministries have responded by having their own spokespersons take a more aggressive public role. For instance, in a meeting with the Minister of Finance and his communications advisors, IRI's consultants were presented with a solid communication strategy that promotes new financial programs. In hope that other ministries will also take on a more active and aggressive public voice, IRI's consultants will provide them with the knowledge needed to plan effective communications strategies that complement the work of the president's communications team.

### Mass Media

The content of government's spots has greatly improved as they focus on the economy, the free trade agreement, and the president's new subsidy program.

## **VI. FUTURE ACTIVITIES**

IRI's consultants are schedule to continue traveling to Lima to meet with the government's communications team. Their travels will end on May 31, when this program ends.

## Attachment 1

### List of projects laid out in the presidential agenda

<b>Infrastructure:</b>	
<b>Main Highways</b>	Connecting regions in Peru, and Peru to Brazil.
	1. Inter-oceanic highway. Crosses 9 regions in Peru. Connects the Pacific Ocean with Brazil.
	2. Highway that connects Lima to the central regions. Lima-San Mateo-La Oroya-Huanuco-Tingo Maria-Pucallpa
	3. Highway in the northern region. Palta-Yurimaguas
<b>Concessions mechanisms and rural roads</b>	<ol style="list-style-type: none"> <li>27 smaller roads connecting the coastal area with the sierra.</li> <li>Concession mechanisms for construction/maintenance of main highways</li> </ol>

<b>Social Area</b>	
<b>Various</b>	1. Direct transfer of cash to the poor (subsidy plan)
	2. Micro business initiative
	3. Provide kitchens utensils to shelters
	4. Provide credentials for the construction of clean and organized markets
	5. Sell fish for one sole (s./1.00) to improve diet and support local fishermen
<b>Housing and drainage</b>	6. Promote the construction of affordable housing
	7. Provide water in rural areas
<b>Energy and Gas</b>	8. Investment project for gas extraction and industrialization
	9. 10,000 buses for public transportation (gas fuel)
	10. Provide electricity in rural areas
<b>International Markets</b>	11. Promote NAFTA agreement with USA. Explore other markets: China, Taiwan, Europe.
<b>Decentralization</b>	12. Continue holding cabinet meetings outside Lima
	13. Address various issues with mayors from Lima: citizen's safety, titling, transportation, drainage.
<b>Education</b>	14. Repair schools
	15. Promote the use of technology at the school level

- Note: this is not a final list.

## Attachment 2

### Consultants' Time in Lima January - March 2005

JANUARY						
M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25	26	27	28	29	30

Code	Name	# of days
	Roberto Izurieta	3
	Ralph Murphine	5
	Both Consultants in Lima	3
<b>Total</b>		<b>11</b>

FEBRUARY						
M	T	W	T	F	S	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

Code	Name	# of days
	Roberto Izurieta	5
	Ralph Murphine	5
	Both Consultants in Lima	0
<b>Total</b>		<b>10</b>

MARCH						
M	T	W	T	F	S	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Code	Name	# of days
	Roberto Izurieta	8
	Ralph Murphine	8
	Both Consultants in Lima	2
<b>Total</b>		<b>18</b>