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World News: Leftist, Ex-President's Daughter Lead Peruvian Vote

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LIMA, Peru -- Ollanta Humala, a left-leaning former military officer, and Keiko Fujimori, daughter of an imprisoned ex-president, appeared headed for a runoff election that will leave many investors in this booming economy ruing the options, after the two emerged as the top vote-getters in the first round presidential balloting Sunday.

Mr. Humala, who has rattled business executives by criticizing Peruvian trade treaties and promising higher salaries and pensions, obtained 31.6% of the vote, according to a quick count by Ipsos Apoyo agency. In second place with 23% was Ms. Fujimori, who inherited the political machine of her jailed father, Alberto Fujimori, according to Ipsos Apoyo. In third place was Pedro Pablo Kuczynski, a former investment banker and prime minister, with 19.1%. The runoff between the two top vote-getters is set for June 5.

Nobel Prize-winning Peruvian novelist Mario Vargas Llosa, a conservative, had previously dubbed a hypothetical runoff between Mr. Humala, 48 years old, and Ms. Fujimori, 35, as comparable to "choosing between AIDS and terminal cancer." University of Delaware political scientist Julio Carrion called it "the worst possible outcome." Indeed, financial markets fret that Mr. Humala might reverse the market-oriented policies that have helped turn Peru into one of the world's fastest-growing economies. Over the past six years, the Peruvian economy has expanded at an average annual rate of 7%.

Meanwhile Ms. Fujimori's critics worry that her government could revive the corruption and authoritarianism that ran rampant in her father's government. Mr. Carrion said Ms. Fujimori might have an edge heading into the runoff, because other political factions might be more willing to cut deals with her than they would with Mr. Humala. He said both candidates seemed likely to try to assuage voters and financial markets by indicating who would hold the prime ministry and other key positions.

Mr. Humala, who narrowly lost the presidency in 2006 running with a full-throated populist message, retained Brazilian political advisers who tried to cast him in a more moderate light, in the style of former President Luiz Inacio Lula da Silva. Still, Mr. Humala says he favors benefit increases to Peruvian workers and higher taxes on mining companies, which generate much of Peru's wealth. He also supports rewriting Peru's constitution. That worries some Peruvian analysts, who noted how Hugo Chavez redrafted the Venezuelan constitution to help entrench himself in power.

Ms. Fujimori has indicated she would continue the market-oriented policies her father introduced in the 1990s.

Mr. Fujimori, who won the presidency in 1990, was sentenced in 2009 to 25 years in prison for his involvement in two military massacres during a conflict with guerrillas in the 1990s.

Robert Kozak contributed to this article.

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