

# Chapter 22

## Brazil



### Chapter Outline

- The Future is Now?
- The Context
- The Evolution of the Brazilian State
- Political Culture
- Political Participation
- The State
- Public Policy
- How Wrong Was Stefan Zweig

*Brazil is the country of the future, and it always will be.*

Stefan Zweig

<b>Size</b>	8.9 million km <sup>2</sup> , Fifth largest country in the world, slightly smaller than the United States
<b>Population</b>	207 million
<b>GNP per capita</b>	\$15,200
<b>Growth in GDP</b>	-3.5% (2016)
<b>Currency</b>	1 US\$ = 3.24 real (January 2017)
<b>Ethnic groups</b>	White 48 (%), Mixed 43, Black 8, Other 8
<b>Religion</b>	Roman Catholic 65 (%), Protestant 28, Other and None 12
<b>Capital city</b>	Brasilia
<b>Head of State</b>	Michel Temer (2016-)

## The Basics

### The Future is Now?

When I last revised this chapter on Brazil in 2013, I painted an optimistic picture of the country. The immensely popular **Luis Ignácio Lula da Silva** (1945–) who was known as Lula to one and all had handed over power to his hand chosen, less charismatic, but experienced **Dilma Rousseff** (1947–).

Everyone expected the political stability of the preceding 20 years to continue in large part because everything else was going so well. In particular, Brazil was a founding “member” of a new “club” of formerly less developed countries that are joining the ranks of the world’s political and economic elite. The **BRICS**<sup>1</sup> (Brazil, Russia, India, China, and South Africa) were all booming economically and seemed destined to join the world’s leading powers. .

<sup>1</sup> The term was coined by Jim O’Neill, who headed an investment team Goldman-Sachs, which is a significant player in the equity and financial planning markets in Brazil. On the topic of BRICS, see his *The Growth Map*. (New York: Penguin, 2011).

Brazil was (and still is) the eighth richest country in the world in aggregate, though by no means per capita, terms. It had (and still has) a large and growing middle class. According to one account, one-sixth of the population has joined the middle class since 2003. Another 20 percent had escaped poverty

The Brazilian economy as a whole had grown by 7.5 per cent in 2010. Although that rate was cut roughly in half in 2011, it was still a figure most leaders of the advanced industrialized could only dream of.

To help readers see how far Brazil had come, I noted that the country was named the host of *both* the 2014 World Cup and the 2016 summer Olympic Games. The 2016 games will be the first Olympics held in South America.

In short, Brazil seemed to be on a political and economic roll. I had begun the chapter with the same quip by the German émigré Stefan Zweig that I have used here but for a dramatically different reason. When he wrote in 1941, he knew that Brazil had always had remarkable potential, but he doubted the country would ever realize it. I went on to cite a leading Brazilian economist who was one of many who felt that the country had finally found a way out of Zweig's dilemma by saying that “the future is now.”

It is hard to be as optimistic about Brazil at the end of 2017. Indeed, Zweig's statement has begun to make a lot more sense which led me to add the question mark to this section's title and include lots of at east implicit questions marks in the rest of this chapter.

Politically, the hard-earned stability that had marked the sixteen years when **Fernando Henrique Cardoso** (1931–) and Lula were president has evaporated in a flood corruption scandals that reached the heights of power. Corruption has been a key theme in Brazilian life for most of its history. It is a country in which the phrase *rouba mas fax*—he steals but he gets things done—is a common meme among political pundits.

In the last few years, however, corruption on a grander and more worrisome scale has taken political center stage because both the political opposition and the judiciary took aim at the elite. In 2016, President Rousseff was impeached for what most people acknowledged were minor violations of the budgetary laws. In fact, her enemies went after in the first months after she was elected to a second term because of dozens of more serious allegations and the



Rousseff, Temer, and Lula in happier times: Source Wikimedia Commons

economic downturn I will discuss in the next paragraph. Her successor, **Michel Temer** (1940–) probably avoided being impeached himself only by hinting as strongly as possible that he will not run for election after his interim presidency ends in 2018. Last but by no means least, Lula was convicted on a variety of corruption charges and sentenced to 10 years in prison. He is currently free while his case is under appeal, and even if he never goes to jail, his reputation is probably tarnished beyond repair to the point that he, too, is unlikely to run in 2018.

It wasn't just politics. In fact, many people remain convinced that Rousseff was impeached because she was unable to address a sharp, sudden economic downturn.

Unfortunately, just as Rousseff took office, the bottom fell out of the economy. Growth was cut in half the next year, hovered near zero for 2012 through 2014 and then actually shrank

in 2015 and 2016, the last two years for which data are available. Both unemployment and inflation topped 10 percent in 2016, rekindling fears of economic chaos that had largely been kept under wraps since Cardoso's presidency.

Even the reasonably successful athletic extravaganzas underscored Brazil's underlying problems. As has been the case with many global sporting events, construction of the venues lagged behind schedule. More importantly, the fact that tens of thousands of people had to move in order to make room for the stadiums and athlete villages, Brazil's poverty and the violence of its *favelas* or urban slums attracted global attention. So, too, did the tradeoff the **PT (Worker's Party)** made in spending upwards of a billion dollars on the games that could have been used to address the country's remaining social ills.

Rousseff did not deserve all of the blame, but there is little doubt that the country's economic woes magnified her personal political difficulties and contributed to her impeachment. And, it wasn't just that the president had been impeached. The renewed interest in fighting corruption by the judiciary had led people to question the legitimacy of the entire political class. By the time Rousseff left office and was replaced by the almost equally compromised Temer, the party system was in all but total disarray which made the outcome of the 2018 presidential and legislative elections seem even more uncertain than they normally would have been. There were signs that the economy was beginning to recover in 2017, but everyone assumed it would take years before the dynamism of 2010 could be restored.

So, I found my self returning to the statement by Zweig, this time realizing that he still might be right. Given its size and resources, Brazil could well be the "country of the future." But given its present as well as its past, Zweig may still be right that its future will always be, well, in the future.

### Think About It

As usual, we will ask all the core questions about comparative politics here that were covered in the preceding twenty-one chapters. Also, as was the case in the rest of the book, there are questions that are unique to Brazil, most notably: Why has democracy been so hard to establish and maintain in Brazil, even though it has not had as many destructive revolutions as we have seen elsewhere?

- Why did the military play such a prominent role in Brazilian politics until the late 1980s?
- How has Brazil managed to integrate its incredibly diverse population? Its track record is by no means perfect, but very few countries have fared any better.
- Did the presidencies of FHC, Lula, and Dilma solidified Brazilian democracy at long last, or has the current crisis put their accomplishments into doubt?
- Is Brazil about to emerge as one of the world's leading economic powers?

## The Context

Like India, Brazil is a vast land of vast contrasts.

### *Natural Resources*

To begin with Brazil is huge. Only the United States, Canada, Russia, and China are physically larger. Brazil is so big that all of the member states of the European Union would easily fit inside it.

It also borders every country in South America other than Ecuador and Chile.



*The Amazon: Source, Wikipedia*

Brazil is also blessed with an abundance of natural resources. No country has more fresh water or tropical forests. It rivals the rest of the world in its mineral and oil deposits, the latter bolstered by the recent discovery of the world's largest oil fields about two hundred miles off its coast. Some of its land is so fertile and its temperature so warm that farmers can reap three harvests a year.

As we will see in far more detail toward the end of the chapter, Brazil's use of those resources has fueled its recent growth spurt. It exports more soy beans to China than any other country. Embraer is the world's third largest producer of passenger jet airplanes. And to add even more wealth to its already booming coffers, the new offshore Sub-Salt oil field will make the country one of the world's four or five leading producers sometime in the next decade.

Not even thirty years ago, Zweig would almost certainly still have been on target. At the time, many intellectuals were convinced that a commodity-based economy would permanently leave Brazil on the periphery of the global system. The boom in demand for its products in the last decade and a half has fueled a dramatic transformation. If it restore its growth rate to anything like its 2010 level, the overall economy would double in size in less than a decade. Its total economic production is currently ranked seventh in the world. At its growth rate from the first decade of the twenty-first century, it could easily have become fourth within two or three decades, trailing only the United States, China, and Japan. Today, its future global ranking is anyone's guess.

### *The People*

Most of us begin and end our mental image with the beaches and the glamors of Rio on those rare occasions when we think about Brazil. Indeed, it has plenty of beaches and lots of glamor and not just in Rio.

Its cities now have glittery skyscrapers. Its capital city, Brasilia, was built in the 1950s and is considered an architectural gem.

But there are other Brazils. Some of the land in the Northeast is arid. Much of land near the Amazon River is a jungle, including the rain forests whose destruction has become so environmentally controversial in recent years.

Brazil is also one of the most racially diverse countries in the world. The most important groups are descendants of native Brazilians (often still mistakenly called Indians), Portuguese colonizers, African slaves, and later, mostly European immigrants. Even more important for our purposes is the fact that it is sometimes impossible to tell which group a person belongs to (also see Chapter 14 on Mexico). As in the United States, most Indians died of diseases for which they had not developed immune systems. Others had sexual relations with the overwhelmingly male Portuguese farmers. Sexual relations between whites and blacks two centuries later were also common. In short, Brazil probably has more mixed race citizens than any country in the world. At the same time, skin color matters. Blacks make up the bulk of the poor population. Whites dominate the elite. In fact, given



the centuries of interracial sexual relations, very few people are “purely” anything. Therefore, many commentators use such terms as people who “look” white, “seem” black, and so on.

This does not mean that Brazil is a racial paradise that has overcome its historical divisions. More than half of the population claims to have some African origins. These Afro-descendants, as they are officially known, live shorter lives, do not stay in school as long, make less money, and are more likely to be subjected to police harassment than their white countrymen and women.

Beyond these visible differences lies an equally important part of the story—more racial harmony than one finds almost anywhere else in the western hemisphere. To cite but one example, according to the 2010 census, almost a third of all Brazilians were part of what would be considered interracial marriages in the United States. Even Rio’s famous annual Carnival seamlessly combines African and European themes.

This relative harmony should not obscure the fact that there are some lingering racial tensions that have the same main root cause as their equivalents in the United States—slavery. Two factors, however, mitigate the continued impact of slavery. First, racial divisions were never enshrined in laws such as those of the United States or South Africa that defined what was “required” to be considered black. Second, the racial balance is closer to even, since, as noted above, at least half of the Brazilian population has some African origins.



*The Rio de Janeiro skyline: Source Wikimedia Commons*

There is also a relatively new addition to Brazil’s diversity--religion. Until the last thirty years or so, Brazil was almost completely Roman Catholic, although many people were Catholic in name only. But as in most of Latin America and Africa, Protestant churches have won over millions of converts, mostly among the urban poor. Most of the new Protestants are members of the Church of Latter Day Saints (Mormons) or evangelical and Pentecostal denominations. The best estimate is that about 25 percent of Brazilians now belong to one of them, which is in keeping with the trend lines in South America as a whole. Disagreements between them and mainline Catholics have yet to become a serious political issue, but they might at some point in the future.

### *The New Brazil*

Brazil is not normally a country that lends itself to one-liners. However, there are two important and misleading ones. In addition to the one by Zweig, President of Charles de Gaulle declared that “Brazil is not a serious” country in the early 1960s. De Gaulle may have been right then, but like Zweig, anyone making such a statement today would be far off the mark.

The very “face” Brazil presents to the world is changing. For centuries, it was a primarily agricultural country, known for its sugar, coffee, and cows. Agricultural products are still among its leading exports. For example, China would have a hard time sustaining its food supply without its massive imports of Brazilian soy beans. However, it is also an industrial and financial powerhouse today, something we will all saw during the World Cup and Olympics.

However you choose to measure such things, Brazil has done extremely well, and these changes seem likely to last, whatever its current difficulties. Once a country deeply in debt, Brazilians take pride in living in a country that now makes, not takes, loans. Inflation totaled more than a quadrillion per cent during the first century and a half of Brazilian independence. Today, it has been tamed. Brazil's currency is now stable, which is all the more remarkable since it used eight different monetary systems from 1940 to 1995.

Brazil exerts a global influence in the three major arenas most economists focus on. It is one of the world's leading exporters of minerals and food, most notably now to resource-poor China. It is a world leader in manufacturing everything from airplanes to automobiles. And although it has lagged some in this arena, is it now in the forefront in developing some of the high technology industries that will be central to our globalizing future. It has done more to reduce its dependence on petroleum than any other country, even before the discovery of the massive reserves in its coastal waters. What's more, its financial institutions are becoming a major source of investment capital even as .

Brazil's success story is easiest to see in the rapid improvement in its standard of living. This is especially important to Brazilians because it has permitted an historically unprecedented reduction in what was once an extremely high poverty rate as summarized in Table 21.1.

Indicator	1993-1995	2009
Per Cent Poor	31.8	15.3
Average Monthly Income (in reals)	457	630
Average Years of Education	5.4	7.6
Per Cent of Households With a Washing Machine	24.3	44.4

**Table 21.1**

**Improvement in Selected Economic Indicators**

Source: Adapted from "Lula's Legacy." *The Economist*. 2 October 2010. 30.

Upper middle class Brazilians (mostly white) live very comfortable lives. They have everything from cars to air conditioning. They have enough money to travel around the world on business and pleasure. Yet, according to one 2009 study, nearly 40 million people live on the equivalent of \$65 a month or less. Three years earlier, 19 percent of the population lived in extreme poverty, which meant that they could not meet their basic food, housing, health, and other needs. On the positive side of the ledger, that was down from 35 percent in 1993. The improvement is largely due to the growth in the overall economy and a series of government programs, both of which will be discussed later in the chapter. More recent statistics would not be as encouraging, but there is no indication that many of the people who benefited from the progress of the boom years have seen their quality of life suffer noticeably.

## THE EVOLUTION OF THE BRAZILIAN STATE

Most of us are drawn to Brazil because of the dramatic political and economic changes since the end of military rule in 1986 that turned the country into one of the world's most important emerging powers. However, we cannot understand Brazil today without first exploring Brazilian history because as the list of questions to think about suggests, that history has been unusual in a number of key respects, few of which it shares with other South American countries, let alone with the rest of the world ([www.v-brazil.com/information/history](http://www.v-brazil.com/information/history)).

### *Before the Portuguese Arrived*

Like all colonized countries, Brazil's history began long before the Portuguese arrived in 1500. Unfortunately, because none of the indigenous Brazilians left a written record, it is hard to be precise about who those people were and what they were like.

It is all but certain that they were part of several waves of migration from Siberia across the Bering Straits to what is now Alaska. Over ten thousand years, those people(s) settled the Americas, and the ones who ended up in what is Brazil today made up a number of distinct civilizations.

Some were quite advanced and had elaborate trading networks which stretched as far as what is now Florida. Others were far more primitive and nomadic. Some may even have practiced cannibalism. Some got along with each other. Some fought periodic wars using blow pipes filled with darts laden with the fatal poison curare.

The people the Portuguese first encountered along the coast were among the most advanced. They lived in thatched huts, grew a number of crops, and fished in both the nearby rivers and the ocean (See Table 21.2).

As was also the case in much of the Americas, the indigenous people did not know what to make of these light-skinned men who arrived on peculiar looking sailing ships and brandished equally peculiar looking weapons. It was not the weapons that wiped out most of the seven million or so people who encountered the Portuguese. Instead, it was the diseases they brought with them.

### *Colonial Rule*

The fifteenth century was a tumultuous one on the Iberian Peninsula. Spain and Portugal became separate countries, albeit with intermarried ruling families. They had finally managed to throw out the Moors (Arabs) from North Africa who had ruled the peninsula for centuries. In turn, both countries adopted the vicious Inquisition that persecuted, tortured, and killed anyone suspected of not being devout and loyal enough to the Catholic Church.

Beginning early in the century, the two kingdoms began to explore and take over lands to the south of them in Africa. Their main goal was to find a sea route to India and the rest of East Asia to gain access to its spices and, it was presumed, vast sources of wealth. Needless to say, the two became rivals.

They were also both convinced that there were lands to their west that they would vie for. The rivalry came to a head shortly after Christopher Columbus returned from his first voyage



to the “new world” that he mistakenly thought was part of the Indies. In 1494, the Pope helped Spain and Portugal negotiate the **Treaty of Torsedillas**, which divided the world west of Europe between the two countries. The Portuguese were to get all land 450 leagues (roughly 1,700 miles) to the west of the Cape Verde Islands. Spain got the rest. Obviously, no in Europe one knew what lay in those mostly unexplored seas. As it turned out, the Portuguese did not respect the dividing line when they expanded their new colony of Brazil. Nonetheless, the treaty officially remained in effect for almost three hundred years.

Date	Event
1494	Treaty of Torsedillas
1500	Arrival of Portuguese
ca. 1520	First major wave of colonists arrive
1630–1657	Dutch occupy much of Brazil
1807	Court moves from Lisbon to Brazil
1818	Court returns
1822	Independence declared with Pedro I as emperor

**Table 21.2**

### **Brazil before Independence**

Accounts of how Brazilian ships under the command of Pedro Cabral got to what is now Brazil in 1500 vary. Some claim that his fleet was blown westward in an attempt to find a better route to the Indies around Africa and thus “found” Brazil by accident. Others claim he was seeking a large island dubbed the Land of the True Cross that supposedly lay many miles to Portugal’s west.

At this point, it doesn’t really matter what the real explanation was. Cabral did arrive. To validate Portugal’s claim to the land, he sent one of this ships back to Lisbon with a tree the Portuguese called “pau-brasil” because it produced a red dye and from which the colony soon got its name.

It would be another twenty years before the Portuguese decided to send colonists to this still little understood land. Until then, they sent missions to explore the coast, established the brazil wood trade, and brought a handful of natives back to the court in Lisbon which viewed them as curiosities. Once the colonists arrived in earnest after 1520, things changed dramatically in five main ways.

First and by no means least significant were the diseases the Portuguese brought with them that the native peoples could not fight off. Millions died, decimating the “Indian” population in all but the remotest parts of the country.

Second, as was the case in most European colonies, there were very few women in with the first waves of settlers. That meant that Portuguese men had sexual relations with native women. The historical evidence is sketchy, but all the signs are that those relationships were unusually

promiscuous. By the end of the century, it was hard to tell who was white, who was indigenous, and who was a **mulatto**, a term that is now largely out of favor among English-speaking academics.

Third, even more than the British and French in North America, the Portuguese and Spanish ran their colonies for the exclusive benefit of the Crown back home, and, they did so with far more brutality and far less skill.

Fourth, the Portuguese introduced slavery almost as soon as they arrived. At first, they mostly enslaved Indians. After 1550, however, they began forcing Africans to make the perilous and often fatal voyage across the Atlantic to the point that today Brazil has the largest population of African origin of any country in the world other than Nigeria.

Fifth, the Treaty of Torsedillas also gave the Jesuits the exclusive right to represent the Church in what came known as Brazil. Today, we tend to think of the Jesuits as one of the most scholarly and tolerant orders in the Catholic Church. In those days, however, it was a bastion of the Inquisition. Jesuits saw it as their mission to convert as many “pagans” as possible, which they did with ruthless brutality.

That peculiar twist aside, colonization by both Iberian powers had a common flaw. Everything they did was designed to enrich the two monarchies back home. As exploitative as the British and French were in North America, they at least encouraged a modicum of economic development and self-government.

Not Portugal or Spain.

The Brazilian colony also got caught up in the conflicts wracking Europe at the time. When the Spanish and Portuguese crowns temporarily united in the late sixteenth century, the Dutch decided that they should try to take over their rivals’ Brazil. By the middle of the seventeenth century, the Dutch had been driven out, but only as a result of the creation of a strong Brazilian militia, which began the tradition of military involvement in politics. At the time, Brazil was officially ruled by Queen Maria (who had been certified as insane), although real power rested with her son Dom Joao.<sup>2</sup>

There was an important reason why the court fled to Brazil and made Queen Maria the only European monarch to ever set foot on American soil before the end of the nineteenth century. Unlike most European monarchies, the Portuguese and the British cast their lot against Napoleon Bonaparte. The court left Lisbon literally a day before the French and Spanish troops arrived.

As confusing as this history might seem--and as irrelevant as the details may be for the rest of the chapter--it was vital for Brazil’s future in an unusual way. Throughout the colonial period, the history of the Americas as a whole was deeply influenced by events in far away Europe. But in Brazil, it obviously took a particularly bizarre twist. Brazil became the capital of the United Kingdom of Portugal, Brazil, and the Algarves. Eerily, European monarchs became the rulers of post-independence Brazil.

About eleven thousand members of the Portuguese royal family and courtiers set sail in November 1807—along with all of the Portuguese official documents and half of the treasury.

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<sup>2</sup> Dom was an honorific used in the titles of noblemen. It is essentially equivalent to the English *sr.* Sometimes references to kings include Dom, sometimes not.

In their six-week voyage to Brazil, the people on the ships suffered tremendously and arrived at Salvador in less than ideal shape. As one historian put it:

**For the residents of Salvador, the sight must have been bizarre indeed:  
a mad queen, an obese regent, and thousands of disheveled courtiers  
aghast at the new world before them.<sup>3</sup>**

The Portuguese-turned-Brazilians were shocked at how primitive their colony was. They were also surprised by the fact that almost everyone in the region was either black or mulatto, which they had a hard time reconciling with the conventional European thoughts about race at the time.

Meanwhile, the Spanish and Portuguese hold on Central and South America frayed. Between 1810 and 1823, the Spanish colonies broke free from Madrid. Some of the revolts were long and violent, especially those led by Simon Bolivar. Some ushered in a century or more of protracted conflict, as in Mexico (see Chapter 14 of the printed version of *Comparative Politics*).

Independence came differently in Brazil, largely because the Portuguese empire was based there. After Napoleon's final defeat at Waterloo, the King and much of the court returned to Lisbon in 1818. They did, however, leave behind one of his heirs, Dom Pedro, to head a colony that was far more powerful and wealthier than the "mother" country in Europe.

Brazil could not escape events swirling around its borders. An uprising in Lisbon in 1818 touched off demands for independence. However, unlike the situation in the Spanish colonies, the Brazilian elite turned to one of their own. The King's son, Dom Pedro, seized control of the independence movement and, to make a long story short, declared the creation of the Brazilian Empire and named himself Emperor **Pedro I** in 1822. Thus, Brazil remained a monarchy in a hemisphere where almost every other country was at least nominally a republic. His was a regime that lasted more than sixty years and began almost a century in which politics was largely an elite affair (See Table 21.3).

Very few of the three million Brazilians knew who governed their country either before or after independence. Whether slaves or free people, most Brazilians were illiterate, and the government did little that directly touched their lives.

Nonetheless, the imperial period was not an easy one. Pedro I coveted the throne in Lisbon, which alienated many Brazilians. He launched a war against Argentina that also cost him popular support. Finally, in 1831, he abdicated in favor of his then five-year old son, Pedro II. Once the new king reached fifteen, he was allowed to govern a county that remained stable for the next half century.

During the imperial period, Brazil's economy relied on slavery. Throughout the nineteenth century, something approaching half of its population were either slaves or their descendants. Brazil circumvented international agreements to end the slave trade between 1817 and 1850 and was the very last country to officially end the practice in 1888.

Once it stopped importing slaves, Brazil began courting white immigrants, including defeated confederate soldiers from the United States. From the middle of the nineteenth

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<sup>3</sup> Thomas E. Skidmore, *Brazil: Five Centuries of Change*, 2nd ed. (New York: Oxford University Press, 2010), 42–43.

century onward, Brazil attracted immigrants from most of Europe—and in the twentieth century from Japan as well.

Date	Event
1822	Independence
1831	Pedro II assumes throne
1888	End of legal slavery
1889	End of empire
1930	Vargas takes power
1937	Creation of Estado Novo
1954	Vargas commits suicide
1955	Election of Kubitschek
1964	Military seizes power
1985	End of military rule

**Table 21.3**

**From the Empire to Military Dictatorship**

Whether slave or free, all that immigrant labor produced a boom in the Brazilian economy during the second half of the nineteenth century. Unlike what was happening in North America or Europe, the growth was not primarily industrial but was concentrated on what economists call the primary sector—agriculture and mining. Still, by the time the Empire fell, Brazil had one of the three leading economies in South America along with Chile and Argentina.

Meanwhile, the empire literally ran out of steam. After fifty-eight years on the throne, Pedro II had not made plans for his own succession. He and most of the rest of the elite rejected his only heir, Isabel, on the assumption that no woman should be allowed to rule. Therefore, the military seized power in 1889 from a regime that was collapsing of its own accord, though it should be pointed out that the coup's leaders had little support beyond their own ranks. As a harbinger of things to come, one of the officers who overthrew the emperor was future president Cardoso's grandfather.

By that time that there were two Brazils: rich and poor. The differences between them roughly coincided with the racial divide between the Portuguese-based elite and the mostly black former slaves, most, but not all, of whom were black. At the time, these divisions were not politically important. The white elite ran everything. Most of the blacks and mulattos lived in rural areas where they were largely invisible to the wealthy civilian and military families who ran the country. That began to change only as Brazil industrialized and urbanized during the twentieth century. Until then, families that could not afford university education for their children, sent them to the military, which became one the main path for upward social mobility—and political instability—for a century to come.

### The Republic

Between 1888 and 1891, the new leaders wrote a constitution that drew on a federal tradition that dated back to the earliest days of colonial rule. In 1894, the military handed power over to a group of civilians, most of whom were wealthy landowners from the São Paulo region.

Both the military and civilian elites had been deeply influenced by the theory of **positivism** that was developed by the French sociologist Auguste Comte. They so firmly believed that a hierarchical social system would enable Brazil to develop economically that they included “order and progress” as the motto on their new flag, where it remains to this day.

For good or ill, it was also a republic in name only. The right to vote was severely restricted because of steep property ownership and income requirements. Illiterates and enlisted men in the military were barred from voting well into the second half of the twentieth century. Formally, the republic was decentralized; however, the national government held most of the power most of the time.



The quarter century that ended with World War I saw substantial economic and industrial growth especially in and around São Paulo which remains the economic hub of the country to this day. The war made Brazil an attractive place for manufacturers to locate their factories precisely because it was so far from the fighting that ravaged Europe. As such, Brazil was able to stay out of

the conflict until it declared war on Germany in 1917. Cities boomed. A working class, including militant socialist and anarchist organizations, developed, but strikes and other protests were easily put down, further reinforcing the “order” side of positivism.

The uncertainty led to a revolt by the *tenentes* (lieutenants) or young officers who wanted something more orderly and stable for their country. Cardoso’s father was one of their mentors. The tenentes came from almost all points on the political spectrum and remained a force to be reckoned with until the end of the military dictatorship more than half a century later.

Despite their best efforts, bands of guerillas fanned out around much of the country by the middle of the decade. They and less violent opponents of the regime chafed against state and national governments that, for example, did little to expand educational opportunities or allow many more people to vote. Problems were exacerbated with the Great Depression, which began with the stock market collapse in New York in October 1929.

The situation came to a head in 1930 when **Getúlio Vargas** (1882–1954) seized power in yet another military coup. Vargas had been active politically since World War I and was known for his willingness to expand the suffrage. As a result, even though he had lost the 1930 election decisively, his coup was greeted with widespread popular support. He remained in power until 1945. He regained the presidency in 1950 when he led a corrupt and ineffective government that ended in his suicide four years later.

In his first fifteen years in office, Vargas faced daunting tasks, including helping Brazil weather the Depression. In doing so, he paid more attention to the economic situation in the cities. He doubled the size of the electorate, even granting some women the right to vote. In reality, power passed to a far more centralized network of elites, most of whom came from



the military and were even more repressive than the rural power brokers of the republican years.

Vargas and his so-called Liberal Alliance faced protest almost from the beginning. Members of the old elite found novel ways to voice their opposition. For instance, they raised millions of dollars which they used to buy arms by selling more than 80,000 wedding rings and other pieces of jewelry. Nonetheless, troops loyal to Vargas easily put their revolt down.

In 1934, Vargas and his colleagues drafted a new constitution that combined republican and corporatist elements borrowed from fascist Italy. An appointed legislature named Vargas president that year, and he promised elections at the end of his four-year term. In 1937, he canceled the election and created the *Estado Novo* (New State) dictatorship that lasted until the end of World War II. It was an odd mix of populism, patriotism, nationalism, and authoritarianism that emphasized the power of Vargas and his cronies. One primary school textbook put its core values bluntly in the form a discussion between a father and son.

**What is government, papa?**

**[Government] is an organization that directs and orients the direction of the country, attending to its needs and its progress. Everyone needs a guide, a governor, a director who makes things run smoothly.<sup>4</sup>**

Conditions deteriorated during War II. At the urging of the United States, Brazil entered the war in 1941 although only a handful of its soldiers saw combat. Nonetheless, the chaos in Europe shrank Brazil's export markets at a time when it was increasingly dependent on foreign trade.

In an attempt to fend off the opposition, Vargas promised that his government would hold new elections after the end of the war. Before they occurred, Vargas was deposed by the military. A new constitution was written in 1946 once elections were finally held. In 1950, Vargas was reelected with the support of the same left he had repressed for most of his first period in power. Vargas abandoned his new-found supporters and found himself increasingly isolated. He became a virtual recluse in the presidential palace before he shot himself on August 24, 1954.

The next decade was dominated by the left, especially **Juscelino Kubitschek** (1902– 1976). His presidency (1955–1961) produced two key changes. First, he introduced Brazil's first substantial social service and welfare programs. Second, his government oversaw the construction of a new capital city. Brasilia was intentionally built in the middle of the country far from the rival coastal cities such as Rio and São Paulo. Although often viewed skeptically when it was being built, Brasilia has been a rousing success, and its airport bears Kubitschek's name.

He also had a lasting impact in two other areas which were harder to see at the time. To begin with, the 1960 election was the first in Brazilian history in which one elected official peacefully handed over power to another (the constitution did not allow a sitting president to run for reelection). He also began the country's first serious effort to industrialize, which paved the way for Cardoso's and Lula's reforms.

That did not mean that everything was calm. Brazil had its share of odd characters. One French newspaper likened Kubitschek's successor, Janio Quadros, to Marx—Harpo not Karl. It even had its own version of U.S. Senator Joseph McCarthy in Carlos Lacerda, himself a

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<sup>4</sup> Cited in Robert M. Levine, *The History of Brazil*. (London: Palgrave, 1999), 106

former communist. Attacks by Lacerda led Quadros to resign after a mere seven months in office. He was succeeded by his vice-president João Goulart, who moved the country even farther to the left.

The military had never been happy with the left-wing policies civilian leaders pursued after Vargas' fall. After Quadros resigned, it took a few months of negotiations before the military allowed Goulart to assume the presidency and then only if he agreed to new institutional arrangements that stripped the president of most of his power.

Despite the concessions, the military overthrew Goulart on March 31, 1964, forcing him and Kubitschek into exile. This was the fifth time the military had intervened since 1945. Every time before, it had quickly withdrawn from the day-to-day administration of the country. This time, the officers planned to stay at least until the situation was fully stabilized. In one form or another, the military remained in power for a generation.

### *Military Dictatorship*

Most countries in South America went through periods of military rule at some point during the Cold War. In particular, following Cuba's revolution and adoption of communism, leaders in South America and in Washington, D.C., feared that Castro-like regimes would spread throughout the hemisphere.

Their worries made some sense. Revolutions did break out in much of the region, including one in Bolivia led by Fidel Castro's colleague Ernesto (Che) Guevara. A Marxist government headed by Salvador Allende twice won presidential elections in Chile. To simplify a complicated situation, the army took over in country after country, often with the implicit or explicit support of the United States.

The military was less brutal in Brazil than in Chile or Argentina. The generals retained some traces of democracy, including creating two political parties that were jokingly referred to as the "party of yes" and the "party of yes, sir."

Middle class Brazilians accepted military rule in part because of the tradition of order and progress and in part because economic growth after 1965 had made them wealthier than they ever imagined. In a portent of things to come, however, the gap between rich and poor continued to widen.

Almost from the beginning, however, the military regime faced a rebellion led by groups of urban guerillas which led it to crack down even farther. In 1968, it suspended Congress. Within a year, the military had all but total control of the formal institutions of government.

Even at the height of military rule, the regime had its opponents. Hundreds of thousands of suspected dissidents were tortured and imprisoned (like Rouseff), while almost as many (like Cardoso) spent years in exile. Others "were disappeared"—that odd choice of words used to describe people in Brazil, Argentina, and Chile who were arrested and never heard from again.

### *Fernando Henrique Cardoso and Lula*

By the late 1970s, there was so much opposition that the military could not suppress it all. By the end of the 1960s, activists had formed small groups of notoriously incompetent urban guerillas (including Rouseff), creating what Cardoso described as a proletarian revolution without the proletariat. After these groups were put down as a result of torture

and killings by the authorities, the likes of Cardoso and Lula decided to wage a nonviolent campaign against the regime.

Militaries throughout Latin America saw their hold on power erode as Cold War tensions began to ebb. In Brazil, the opposition crystallized around a campaign, *Direta Já* (direct elections now). The dissidents came close but ultimately did not reach their goal. However, it had become clear to military leaders, including President Ernesto Geisel, that change was unavoidable. That did not mean that change came easily.

Perhaps because they were weary of governing, Geisel's government began to negotiate with many of the moderate dissidents about a transition to civilian rule. As a result, in 1985, the generals handed power back to citizen politicians and a regime that would not have satisfied any of the definitions of democracy laid out in Chapter 2.

The first decade of civilian rule was difficult. The first two presidents were extremely weak. One of them died before formally taking office, and the next elected president was impeached (See Table 21.4). In short, they did little to help the country heal its wounds. A new constitution was written in 1988 (see the section on the state), but it alone was not enough.

Name	Year Assumed Office
Tancredo Neves	1985
José Sarney	1986
Fernando Collor	1990
Itamar Franco	1992
Fernando Henrique Cardoso	1995
Luis Ignácio Lula da Silva (Lula)	2003
Dilma Rosseff	2011
Michel Temer	2016

**Table 21.4**  
**Presidents of Brazil since the End of Military Rule**

Over the next 16 years Cardoso and, then, Lula did just about as good a job as one can imagine in consolidating Brazil's fledgling democracy. Virtually no one is delighted with everything the two presidents did. Yet, virtually everyone acknowledges how much they both helped to consolidate the new regime.

It took the two terms Cardoso and Lula each served to give democratic government in Brazil unprecedented stability. In fact, Cardoso and Lula were the first presidents since the 1930s to hand over power peacefully to their successor.

Neither man planned to be a political leader.

They also came to politics from very different origins, one as the consummate insider, the other as the consummate outsider. They went overcame their backgrounds to provide a different approach to **pacting** which, as we have seen in other chapters, has often proved critical in forging democratic transitions. Many of the most successful such transitions occurred when moderates of the outgoing regime and their counterparts in the opposition agreed to work things out as we saw in the online chapter on South Africa. In this case, however, the “pacts” were largely formed among the disparate and often feuding elements of the coalition that brought down the military dictatorship.

That was no doubt aided, first, by the fact that Cardoso came from a well-connected family with ties to the military and the conservative establishment. Cardoso initially saw himself primarily as a scholar who objectively studied Brazilian society, especially the role of race, poverty, and multinational companies.

### Profile

#### Fernando Henrique Cardoso

Cardoso described himself as an “accidental president” in his memoir. He was born in 1931 into one of the country’s most influential families. His grandfather was a general and had been a mentor for many of the tenentes. As was common in the generation of political/military leaders active after the turn of the twentieth century, Cardoso’s grandfather and father knew how to get along with everybody, a characteristic we will see in the section on political culture.

Cardoso attended the relatively new University of São Paulo where he earned his doctorate and joined the faculty before he turned thirty. His academic career was based on the assumption that professors do their best work when they do rigorous research and report their findings as dispassionately as possible.



*President Cardoso with Nelson Mandela in 1998*

Cardoso started his research career as one of the first scholars to openly consider race in Brazil. He later became one of the leaders of the academic left who studied the relationship between Third World dependency on —the north|| and underdevelopment.

But Cardoso was never a doctrinaire leftist. When Chip sat in on a guest lecture he gave at the University of Michigan, it was clear that he was not an ideologue and tried to be a bridge builder between left and right, which was very uncommon in the mid-1970s. Because he was never part of the doctrinaire left of the 1960s and 1970s, his work is often treated skeptically by what remains of the Marxist intellectual elite who appropriately introduced the idea of **dependency** into our intellectual lexicon.

Since leaving the presidency, Cardoso has joined the Club of Madrid, which is a group of retired political leaders who work for peace shi h is better known as the elders ([www.theelders.org](http://www.theelders.org)).

However, he was far enough to the left to have spent the first four years of military rule in exile in Chile and France, where his research made him a highly distinguished and sought after professor. Cardoso was allowed to return in 1968, but was soon dismissed from his position at the University of São Paulo because he clearly now identified himself as a leftist, albeit one who normally organized his fellow intellectuals and other members of the elite.

Itamar Franco, the fourth weak president, asked Cardoso to become foreign minister. He was well suited for the job, having lived in Argentina, Chile, the United States, and France during the course of his academic life. However, shortly after Franco became president, the country went through one of its periodic economic nosedives in which the currency collapsed and inflation skyrocketed. The President asked Cardoso—who had no real economic

experience—to become Minister of Finance instead. Cardoso presided over the creation of **Plan Real** in 1994, which introduced a new currency that stabilized the economy.

Cardoso's political reputation was set. He easily defeated Lula and other contenders that year. He pushed through a constitutional amendment allowing him to run for a second term four years later when he soundly defeated Lula again.

As he neared the end of his second term in office, Cardoso again floated a trial balloon to get himself the legal right to run for a third term, which was denied. He was also in his early seventies and exercised unusual political maturity and realism for a Brazilian leader and decided to retire, although he still exerts some

## Profile

### Lula

Lula was born in 1945 to an impoverished family in the northeast. His father listed his birthday as October 5 when he officially registered his son. In fact, he was born on October 27. Soon thereafter, his father moved to São Paulo, leaving his family behind. When Lula was about nine, his mother moved the family to the big city to join his father only to discover that he had a new family that none of them knew about. Eventually, Lula would have at last twenty-two full or half siblings.

He had little formal education other than his apprenticeship as a machinist, when an accident cost him a finger. Lula is often criticized for his lack of intellectual sophistication and poor grammatical skills. When all is said and done, he has certainly come a



*Lula: Source  
Wikimedia  
Commons*

One of his older brothers suggested that he be brought onto the board of the machinists union, which began his political career. Despite his reputation in the United States, Lula was never a Marxist. He is a lifelong practicing Catholic whose position on abortion, for instance, has hardly endeared him to the left.

He was succeeded by Lula whose path to the presidency was even more unusual than Cardoso's. To describe his family as poor gives them the benefit of the doubt. Lula worked from the time he was nine, including stints as a shoe shiner and street peddler. He also had little formal education until he entered an apprenticeship program for machinists as a teenager.

Lula came to political prominence during military rule, when he helped create the Worker's Party and became one of the leading advocates of a return to democracy, along with his unlikely ally, Cardoso. He had run for the office three times before and lost by larger margins each time.

By the time he finally won the presidency in 2002, he had cut his ties with the far left and presented himself as a results-oriented pragmatist. We will defer dealing with the details of his presidency until the public policy section, but it is important to see at this point that Lula did a lot to reduce inequality in a way that would not lead observers to mistake him for a firebrand. When his second term ended, Lula followed FHC his predecessor into retirement. There was talk of his running for the presidency after Dilma's first term, but a cancer scare ruled that out. His conviction on corruption charges has all but done the same for his chances in 2018.



### *Rousseff and Temer: The End of an Era*

There are still occasional rumors about military interference in politics, but pending a surprise in the 2018 presidential election, that does not seem likely. On the one hand, that tells us a lot about how far Brazilians politics has come in the last 30 years. On the other hand, it does not mean that all is well since the last two presidencies have undermined enough of the stability achieved under their predecessors that it is safe to say that Brazil faces as uncertain a political future as any country covered in *Comparative Politics*.

The roots of the current uncertainty start with Rousseff's presidency. As we have already seen, she was a veteran of the opposition to military rule who had been imprisoned and tortured. She then served in a variety of positions under Lula who designated her as his successor when his second and final term neared its end.

As we will see in the section on political participation, neither Lula nor his PT party ever came close to winning a majority at the polls. Although Lula himself easily won election and reelection at the second ballot in 2002 and 2006, it was clear to everyone that Dilma would have a much harder time.

She therefore ran as head of a coalition with Temer as her vice presidential candidate in both 2010 and 2014. She and her party fared less well at the polls than Lula had in part because she lacked his charisma and in part because her policies failed to pull Brazil out of its version of the global recession which began shortly before Lula left office.

To make a long story short, she barely won in 2014, was dependent on the support Temer brought to her ticket, and their two parties together barely won a fourth of the seats in the more powerful lower house of congress. Although her coalition nominally controlled about 300 of the 500 seats, it was a coalition in name only. For reasons that are too complicated to go into here, a new generation of judges and prosecutors was rising to prominence that wanted to make its mark by fighting the corruption that had been a part of Brazilian life for generations (see the section on the state below). Meanwhile, her personal popularity plummeted early in her second term as concerns about crime, the cost of the World Cup and the Olympics, and the economic slowdown mounted.

As a result, her opponents in Congress launched an impeachment campaign against her in 2015 which came to a head the following year. Although they were angry with just about everything they did, they relied on a relatively narrow legal pretext to bring her down.

Technically, Brazilian presidents cannot move funds across budgetary lines as passed by the Congress. Dilma did so in order to balance the books and keep some of the Labor Party's favorite programs alive. Although she claimed that presidents had done the same thing routinely in the past, the opposition brought impeachment charges against her.

The constitution lays out an elaborate procedure for impeaching a president which meant that the drama stretched out for months. In April 2016, more than two thirds of the members of the Chamber of Deputies voted to bring charges of impeachment against her. The Senate then holds a series of votes, and once it decided to formally indict Rousseff, she was suspended for up to six months while a trial took place. At the end of August, she was duly convicted, and Temer—who had been acting president—formally took over for the remainder of her term.

The story, however, did not end there. Temer would not have been any political image maker's ideal candidate. His was hardly a household name despite having been at the center of political life for decades. What's more, he was already 75 when he became president.

And worst of all, he, too, was implicated in so many scandals that impeachment proceedings against him began almost as soon as he assumed the presidency. By the end of 2016, less than 10 percent of the electorate approved of the job he was doing. Perhaps because few people really wanted to get rid of a second president within a matter of months, Temer was not indicted on a charge of violating the country's electoral law. While that saved his presidency, it all but certainly ruled him out as a viable candidate in 2018.

Meanwhile Lula was convicted of accepting \$1.1 million in renovations to his apartment in exchange for giving the contractor lucrative contracts and was sentenced to 10 years in prison. If the conviction is upheld by an appeals court, Lula could not run for office for another 19 years thus both ending his own career and depriving the PT of a viable candidate for 2018.

In short, much of Brazilian political life was up for grabs as I wrote these lines in the closing days of 2017. The party system is in disarray with elections only eight months away. The balance between the judiciary and the rest of the system is in flux. The luster Brazil gained as a leading member of the BRICS is evaporating.

In other words, read the rest of this chapter with a healthy dose of skepticism.

## POLITICAL CULTURE

Brazilian political culture is hard to document. Unlike some of the other countries covered in *Comparative Politics*, scholars have not done much systematic research on popular values regarding the regime, no matter who was in power at any one time. And, as we have stressed throughout the book, it is almost always hard to draw any clear causal link between broad cultural values and any specific political behavior.

That said, there are five key trends to keep in mind, however limited the available data. The last one is almost certainly the most important for any understanding of Brazilian politics, but also almost certainly the hardest to document.

### *From Rural to Urban*

Many of the main values in Brazilian political culture were established under colonial rule. As we just saw, Portuguese colonists were granted to huge swaths of territory, where they created the slave-based economy, echos of which still matter today.

Colonial Brazil was also predominantly rural. Although Brazil specialists rarely use the term, patron-client relations that are typical of many rural societies were part and parcel with its political life. In other words, Brazil historically was a hierarchical country dominated by a white elite, although it is important to remember that almost no one has purely white ancestry any longer.

Since the 1930s, however, Brazil has urbanized rapidly to the point that well over half of the population lives in cities and not just in the megalopolises of Rio and São Paulo. The rapid migration also made it impossible for many in the elite to turn a blind eye to the poverty that has its roots in the politics of class and race, which we will see in the next two subsections. At the same time, the burgeoning number of middle class Brazilians draw benefits from and pay

taxes to the state. As a result, more and more of them have realized that they have to pay attention to what happens in Brasilia, their state capital, and their city hall.

### *Fútbol*

One of the things that unites Brazilians is their fanatical love for the national soccer team. Brazil has won five World Cups and is always among the favorites to win.

Some of the world's best players have led Brazil, including Pele, who may have been the best ever. When Brazilians are at their best, they employ an almost ballet-like strategy that some have called the —exquisite game.|| Also, like, Pele, players are known only by a single nickname. Sometimes when one great player's career is ending, his presumed successor gets a version of that nickname—hence Ronaldinho replacing Ronaldo as a top scorer (he never quite lived up to the name).

There are also problems with soccer. As in most of the world (the United States is an exception), football is a working-class sport. In Brazil, that also means that almost all players are either black or of mixed race. Also Brazil's domestic soccer leagues have become a financial disaster. Although they are known as clubs rather than franchises, most of their owners have run them into the ground. They have also been vehicles through which the corruption we will discuss operates. All serious Brazilian players are based in Europe where they can make millions of dollars a year.

Lula is a lifelong fan of Corinthians of São Paulo.

For more, see Franklin Foer, *How Soccer Explains the World: An (Unlikely) Theory of Globalization*. (New York: Harper Collins, 2004), ch. 5.

### *Class and Race*

Political scientists often argue--probably erroneously--that class is not an important factor in political life in South America.

They are certainly wrong when it comes to Brazil. The centuries-long history of slavery created a country that was as unequal as any in the Western hemisphere.

As noted previously, Brazil's wealth is something of an illusion because it is so unevenly distributed despite the progress made on that front since Cardoso's and especially Lula's presidencies which we will focus on in the public policy section below. When measuring income inequality, social scientists normally rely on a country's Gini coefficient which measures the gap between the richest and poorest people in any country. In 2015, Brazil's stood at 0.54 which was the highest (most unequal) of any major South American country. Note that the Gini coefficient only considers annual income; figures on net wealth would show even greater inequality.

With the rapid urbanization discussed above, workers and poor people have grown increasingly aware of that inequality. As we will see in the discussion of the PT in the section on political parties, class has not been an issue that has shown any signs of tearing the country apart. Even so, at least until Lula arrived on the scene, there was a sullen resignation and alienation among many in the working class, especially among the then millions of people who did not have conventional jobs that paid regular wages



Related to class is race. Thirty years ago, people often talked about Brazil as a post-racial society because there had been so much intermarriage over the centuries. That said, it is hard to miss the impact of race in an increasingly urban Brazil. Put simply, the darker one's complexion, the more likely a Brazilian is to be poor, live in a favela, and be a victim of crime.

Pictures of the political and economic elite show mostly white faces as is the case with the ones included in this chapter. The real “face” of Brazil is quite different and well represented in this photo of Brazil side that faced Colombia in the 2014 World Cup (and won 2-1 setting up its disastrous semifinal match with Germany).

Despite the changes of the last generation, there are still ways in which race and class contribute to deep feelings of inequality. To be sure, it is now fashionable for a politician like Cardoso to point with pride to his black great-great-grandmother. And while it is true that disagreements over class and race no longer produce much in the way of outrage, the realities of discrimination have led to a degree of resignation to what students of political culture used to call a lack of political efficacy. The poorer, the less educated, and the darker-skinned Brazilians are least likely to think that they can control their own fates.<sup>5</sup>

### Religion

As the basic table at the beginning of the chapter shows, Brazil is an overwhelmingly Catholic country. However, the statistic that two-thirds of the population is Roman Catholic is misleading in at least two ways.

First, a significant number of Brazilian Catholics are not particularly observant. The World Values Survey found that between 35 and 45 percent of the population attends mass weekly, which actually is quite high for countries with large Catholic populations. Other estimates put regular mass attendance at one in five, which is typical of overwhelmingly Catholic countries. It is not clear how deeply the largely conservative church penetrates the population if for no other reason than relatively few priests are actually Brazilian. Most have been sent from Europe by the hierarchy since military rule because of the strong support for **liberation theology** among native-born priests. As they saw it, priests and active lay members argued that the clergy had to play a role in creating a more just and democratic society. Lula comes from that wing of the Church.

Second, a growing proportion of the population has converted to Protestant denominations, most notably the Latter Day Saints (Mormons), the Seventh Day Adventists, and dozens of independent evangelical and Pentecostal churches. Perhaps most important for our purposes, members of these faiths tend to shun the heavy drinking and partying that have been such a central part of Brazilian culture.

The most prominent member of the evangelical community is Marina Silva, who came in a respectable third in the 2010 and 2014 presidential elections and could well be a major candidate

<sup>5</sup> Alberto Carlos Almeida, “Core Values, Education, and Democracy,” in Peter R. Kingstone and Timothy J. Power, eds., *Democratic Brazil Revisited*. (Pittsburgh: University of Pittsburgh Press, 2008), 223–256.

in 2018. She started out as a leftist and still holds some radical views. She began her career in the protests led by men who tapped rubber trees, including her father and Chico Mendes, who was later assassinated. Silva was an early member of the Labor Party and served as Lula's environmental minister for more the first six years of his presidency. She grew frustrated with Lula's timidity on environmental issues and joined the Assemblies of God, which is Brazil's third largest evangelical community. In 2008, she resigned from the cabinet and served as the Green Party's standard bearer in the most recent campaign.

Silva is probably not typical of the new evangelicals who are for the most part as conservative as the Americans who inspired them. Nonetheless, as their numbers grow, it is easy to see how they could well reshape much of Brazilian politics on the left as well as the right.

### Comparative Emphasis Democratization

The recent success of democracy in Brazil has many causes. One stands out because of its parallels with other countries that have made a reasonably effective transition to democracy in recent years. It rarely takes root because people all of a sudden decide to accept tolerance or other democratic principles. Instead, they endorse democracy because they see that it works. It provides them with tangible benefits such as the security that comes from a stable state, effective public policies, and, usually, a decline in political tension.

#### *Coziness and Corruption: Jeito*

Former President Cardoso refers to what he says is the untranslatable term *jeito*. As he put it, even at the height of the military dictatorship, there is always a way around the system, a certain tolerance of breaches of authority.<sup>6</sup> He also tells his readers that one of the first pieces of political advice he got from his father was to always respect the jailers who imprison you.

That is hardly surprising given the instability that marked the first century of post-imperial rule and the fact that the politically active elite was so small and interconnected. As Cardoso's father used to remind him, you might be imprisoned today and be back on top a few short years from now.

It is impossible to measure the importance of *jeito* or similar practices in any culture. However, there is little doubt that they have contributed to the corruption that has been a central part of Brazilian political life.

Corruption, too, is impossible to measure. However the anecdotal evidence makes it clear that lots of bribes and other forms of corruption have been at the heart of Brazilian politics from the beginning. Cardoso and Lula both came to office committed to ending corruption. Nonetheless, both of their presidencies faced their share of financial scandals that almost cost them a second term in office.

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<sup>6</sup> Fernando Henrique Cardoso, *The Accidental President of Brazil*. (New York: Public Affairs Press, 2006), 112.



The corruption issue is now squarely on center stage as we saw in the introduction to this chapter. Still, it is by no means certain that the current attack on corruption will put a dent in the cultural norms that have abetted bribery and the like for generation.

### *Gender*

As in most countries, men dominate Brazilian politics—and almost all other areas of life for that matter. Again as in most countries, that is beginning to change in Brazil.

As we will see in more detail in the next part of the chapter, two of the three leading presidential candidates in 2010 and 2014 were women, and women hold more and more key positions professionally. Nonetheless, most observers think that gender roles are more clearly and strictly defined in Brazil than elsewhere.

It is not clear how much of that is due to each of two factors. The first is the Latin American notion of machismo that stresses male domination in everything. Most social scientists think its impact is overstated but that it nonetheless still exists. Second is Brazilians' apparent sexual freedom which is epitomized by their love of the beach and the annual Carnival just before Easter. Here, too, scholars are somewhat skeptical, stressing the importance of *pudor* which combines propriety, modesty, and even shame which is common in rural areas and in the growing evangelical community.

All in all, there are signs that women are beginning to close the gap with men in almost all areas that count for political scientists. And that progress is likely to accelerate as more and more women attend university and enter the professional middle class.

To cite but two very different examples: divorce was illegal until the 1970s and women's soccer has never come close to matching the popularity and fame of men's soccer in this football-mad country. Today, the divorce rate and other indicators of the breakdown of the nuclear family are similar to those found elsewhere in the world. And, things are even changing in soccer. The Brazilian women have won the World Cup once and are currently ranked among the top six teams in the world.

### *And What About Democracy?*

Chapter 2 drew the distinction between the government of the day, the regime as laid out in the constitution and the system as a whole. As we have just seen, the empirical evidence on the impact of political culture on any of those levels is hard to come by in Brazil. Nonetheless, three potentially contradictory conclusions stand out.

First, because of Cardoso and Lula, support for the government is almost certainly at an all-time high. However, as we will see in the discussion of recent elections in the next section, it is by no means clear that any government elected in 2018 will enjoy anything like this level of support. Second, the regime erected in the aftermath of military rule in the 1980s is probably more popular than any in the country's history. That said, it is still fragile, and again, any weak president in the near future -- or continued gridlock in the legislative process -- could put the republic in jeopardy. Third, there is little question that almost all Brazilians endorse the idea of Brazil. That national pride may be easiest to see in the fanaticism of its soccer fans or the outlandish celebrations of Carnival in Rio. But patriotism and identification with Brazil as a country is as strongly entrenched as it is in any country in the Global South.

These uncertainties were evident in the report on a 38-nation poll on support for democracy conducted for the Pew Research Center in 2016 which was published after the print edition of *Comparative Politics* went to press. The results were clear. Brazil came out squarely in the middle of the pack on most indicators.

For instance, the researchers created an index of commitment to democratic norms and/or openness to other political options. Twenty-one percent of Brazilians were ranked as being strongly committed to democratic procedures compared to 23 percent worldwide. Overall, Latin Americans scored below the global average on most of these indicators, though Brazilians were more likely to support democratic norms than the people polled in all of the countries Pew included other than Argentina. As is the case in most countries, only a minority (38 percent) demonstrated any support for a military government, although the number was higher for poorly educated and conservative Brazilians.

In sum, Brazil probably has made progress toward what Almond and Verba called a civic culture in their landmark study 50 years ago. However, if it has, that support is at least somewhat tenuous for reasons that will become clearer in the rest of this chapter.

## POLITICAL PARTICIPATION

I last updated the online chapter on Brazil during Rousseff's first term. Already, the political parties and the entire input side of the system were beginning to fragment. With her impeachment and the uncertainties about Lula's potential candidacy in 2018, disarray would be a better term to use than fragmentation in describing the party system today. Indeed, even though the next election was only nine months away when I wrote these words, it was by no means clear which parties would be running candidates let alone what the distribution of support for them was likely to be.

### *Parties and Elections*

The fact that Brazil has had such a weakly institutionalized party system is usually attributed to two main sources. First, Brazil uses an unusual electoral system that discourages the kind of disciplined, ideologically driven parties we saw in Part 2 of this book. Second, perhaps as a result, almost all of the parties are small and new with only a few of having roots that go back even to the end of the military regime 30 years ago.

As a result, the discussion of the party system today should be read as tentative at best.

### [An Uncertain History](#)

There is nothing new to the uncertain nature of Brazilian political parties. It could hardly be otherwise given the tumultuous history and frequent regime changes discussed earlier.

As was true of all countries that began experimenting with democracy in the nineteenth century, Brazil limited the right to vote in its early elections. At first, only people who owned a certain amount of property had the suffrage. Gradually, those limitations were eased and removed. However enlisted men (there were only men) in the armed forces were not included on the electoral rolls until the twentieth century.

Universal suffrage was only achieved in 1985 when illiterates were allowed to vote. At the same time, the minimum voting age was reduced to sixteen. People between the ages of eighteen and seventy are legally required to vote, although that law is honored in the breach. In

2014, 80 percent of the eligible voters went to the polls, 10 percent of whom cast a blank (no candidate or party selected) or destroyed their ballot.

So far, there is little unusual about this history until we add the ambiguous impact of military rule on the evolution of the party system. Unlike most other military regimes, the Brazilian military rulers allowed certain kinds of political parties to exist and added more once the transition toward democracy began. However, as formal institutions, most of those parties did not survive the transition.

### The Electoral System

Brazil uses an unusual and fragmentation-inducing electoral system that political scientists call **open list proportional representation (OLPR)**. As is the case with all proportional systems, a party's number of seats in a national legislature is determined by its share of the vote. In most PR systems, parties provide a list of candidates, and if one party wins 23 percent of the vote, the 23 percent of the candidates at the top of its list are elected. The popularity (or lack thereof) matters little, if at all.

Brazil is different. Like many PR systems in large countries, elections are contested and seats are allocated given the results in each state. In Brazil, however, voters are free to choose whichever order they want to use to rank the candidates from their party's list. And because few states have more than ten seats, candidates tend to run their own campaigns independent of the party organization. As a result, they have few obligations and little loyalty to the parties that nominated them which leads about one-fourth of the deputies in the critical lower house of Congress to switch parties during the course of one term.

The result is a confusing array of parties, 28 of which won at least one seat in 2014. That makes the situation seem more structured than it really is because members join and leave parties and—as we will soon see—parties join and leave coalitions at the drop of the clichéd hat. There is no better example of this than the fact Temer and his party ran with Rousseff as coalition partners in 2014 yet turned on her and her government within a matter of months.

Presidential elections, by contrast, use a two-ballot system much like the one first introduced in France. Any number of candidates can run in the first round. If no one wins a majority then (as has that has been the case since the end of military rule), a runoff ballot is held three weeks later in which only the top two finishers from the first round can run.

In short, presidential elections produce a winner with a majority of the vote. It is rare, however, for a single party to win more than a quarter of the seats in the Chamber of Deputies. Thus, in 2006, Lula was reelected with more than 60 percent of the second ballot vote, whereas the PT only won 15 percent in the contest for seats in the chamber.

### Informal Coalitions

Obviously, no party has a realistic chance of winning a legislative majority on its own. The electoral system requires a majority at least on the second presidential ballot, which no candidate is likely to win with only the support of his or her party alone.

Therefore, the parties tend to forge informal coalitions at two levels. First, a number of them band together to support a single candidate in presidential elections. Thus, Rousseff was supported by eight parties in addition to the PT, including the PMDP and the Progressives in 2014. Most decided that a run for the presidency was not worth the time or money and ended

up at least tacitly supporting Rousseff. Those coalitions also run more or less together (given the electoral system, the emphasis is decidedly on less) in the congressional elections which are held on the same day as the first round of presidential voting.

As political scientists have been noting ever since Lula took office, such coalitions are increasingly easy to form. Statistical analyses show that all parties—especially those that once were on one end or the other of the political spectrum—have moved so much toward the middle that some observers think that the terms left and right make little or no sense any more.

In other words, the major Brazilian parties have been following what political scientists used to think is a common strategy, muting their ideological differences to seek voters who cluster in the middle. (See also the online chapter on Japan.) In comparative terms, this wooing of the moderate voter is less true than when such theories were developed in the 1950s, as we saw in the chapters on the United States, Great Britain, France, and Germany.

The easiest way to see this last point is in the names the coalitions use to identify themselves which tell us—and presumably the voters—next to nothing about what they stand for. Thus, the coalitions that supported Rousseff and her two main presidential rivals were:

- With the Strength of the People
- Change Brazil
- United for Brazil

### The Parties

In considering the individual parties, the fragmentation (and confusion) truly take center stage. It could hardly be otherwise since 28 different parties won at least one seat in 2014. To make matters even more confusing (to Brazilian voters as well as students of comparative politics), many of them have similar sounding names, including words like labor, workers, social, socialist, democrat, and republican to the point that those words carry little or no real meaning.

Given those caveats, the following list includes the parties that either figured prominently in political life under Lula and Rousseff and/or seem likely to do so after the 2018 election.

**The Workers' Party.** At least for now, the PT is the largest party. It was created by Lula and others in 1980. It was founded by trade union leaders, leftist intellectuals, and Catholic supporters of liberation theology. Although Lula was a firebrand in the early years of the party, neither he nor most of its other leaders were ever Marxists. Instead, the words most commonly used to describe the PT were left populist.

The moderates took solid control of the party after Lula's third failed race for the presidency. As we will see in the policy section, it still supports programs to help the poor and landless. However, it has accepted the fact that Brazil is a predominantly capitalist country that must be competitive in an increasingly globalized international economy, a point we will also concentrate on in the public policy section.

Lula's personal popularity far exceeds the party's (see Tables 21.5 and 21.6). In 2006, Lula won 48 and 60 percent of the vote in the first and second rounds of voting. The PT, however, only won 15 percent in the elections for the Chamber of Deputies held the same day. It did get more votes than any other party, but the Brazilian Democratic Movement Party (PMDB) ended with six more seats. Four years later, it outpolled the PMDB by almost four percentage points

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Lula's personal popularity far exceeds that of the PT (see Tables 21.5 and 21.6). In 2006, Lula won 48 and 60 percent of the vote in the first and second rounds of voting. The PT, however, only won 15 percent in the elections for the Chamber of Deputies held the same day. It did get more votes than any other party, but the Brazilian Democratic Movement Party (PMDB) ended with six more seats. Four years later, it outpolled the PMDB by almost four percentage points and won nine more seats than its coalition partner. Still, even then, it was far from a majority party and has fared less well in each successive election.

When Lula named Rousseff as his chosen successor, serious doubts were raised about her candidacy. She had been a cabinet minister and was currently Lula's chief of staff. But she had never run for elected office, had been a revolutionary, and was at best a mediocre campaigner. As far as we can tell, Lula picked her for two reasons. First, she was both immensely talented and loyal to his administration. Second, she was one of the few prominent PT politicians not (yet) implicated in a wave of scandals that temporarily removed most of Lula's team as viable candidates for higher office.

Rousseff's first campaign did not start well. Early polls showed her trailing **Jose Serra** of the PSDB (see below). Eventually, some combination of Lula's coattails and her own competence (despite her dullness) gave her a lead in the polls with a few months to go in the campaign. As Table 21.6 shows, she ended up winning comfortably the second or runoff ballot. She barely squeaked by four years later when she only won 51.6 percent of the vote and already was in danger of losing the support of Temer, who was again her running mate and vice president.

At this point, the PT is the party of the status quo which does not make it wildly popular, but it is also Lula's party, and he is still highly popular. If he is allowed to run again in 2018, he could well win and the PT could come in first again, though it will not do as well as it did in 2014.

Cardoso	54
Lula	27
<b>1998</b>	
Cardoso	53
Lula	31
<b>2002</b>	
Lula	46
Serra	23
<b>2006</b>	
Lula	48
Alckmin	42
<b>2010</b>	
Rousseff	47
Serra	33
<b>2014</b>	
Rousseff	42
Neves	34

**Table 21.5**  
**Presidential Elections since 1988:**  
**Top Two Candidates at the First Round**

**Brazilian Democratic Movement Party.** The **Brazilian Democratic Movement Party (PMDB)** began as the main opposition party during military rule and changed its name to the PMDB in 1979. It was initially somewhat left of center, but in fact it has always been as opportunistic as any catchall party in Europe or North America. Its leaders include everyone from free-market libertarians to people who would pass as left-wing democrats in the United States. By the 1980s it gained considerable support from the business community and is now probably the most pro-capitalist party among the top five. Allegedly,



it also has more corrupt politicians than any other party, including President Temer. At this point, it is largely a coalition of regionally powerful politicians.

In 2002, it backed the conservative standard bearer, Jose Serra, but then switched to the PT coalition afterward, tacitly in 2006 and explicitly in 2010, when Temer ran as Rousseff's vice presidential candidate. In 2010 and 2014, running a close second to the PT in the 2010 congressional election, winning only nine fewer seats. However it was very much a junior member of the coalition which it effectively abandoned when it spearheaded Rousseff's impeachment.

It is hard to tell what the future holds for the party. Some observers think Temer might still run for reelection. However, neither he nor any other PMDB candidate got the support of more than one or two percent of likely voters in polls conducted in the second half 2017.

Party	1994	1998	2002	2006	2010	2014
PT	12.9	16.8	18.4	15.0	16.9	13.9
PMDB	12.8	16.8	13.4	14.6	13.0	11.1
PSDB	13.9	9.4	14.3	12.5	11.9	11.4
DEM	12.9	9.4	13.4	10.9	7.6	4.2
PP	9.4	13.7	7.4	7.1	6.6	6.6

**Table 22.5**  
**Percentage of the Vote for the Chamber of Deputies since 1994:**  
**Today's Major Parties Only**

**Brazilian Social Democratic Party.** The **Brazilian Social Democratic Party (PSDB)** won the third largest share of the votes and seats in the two most recent congressional elections. Despite its name, the party has no formal ties to the international social democratic movement (but the PT does). It also has historically had very few connections to the trade union movement, again the early bailiwick of the PT. Although it claims to endorse social democratic public policy, it has also been deeply influenced by neoliberalism. Perhaps most importantly, it has resolutely rejected populism and authoritarianism.

The PSDB was founded in 1988 in the first years of the transition from military rule. It was formed mostly by disgruntled members of the PMDB's predecessor. Its founding team included Cardoso and others who were neither satisfied with the constitution written in 1988 nor with the quality of governance under the new civilian regime.

After only six years, the PSDB saw Cardoso elected president. During his two terms, the party did indeed move significantly rightward as we will see in the section on public policy.

Even though it won almost as many votes as the PT and PMDB in 2010, it probably has its strongest foothold at the state level where it held seven governorships going into the 2010 campaign. Its presidential candidate that year, Geraldo Alckmin surprisingly won over 40 percent of the vote and forced Lula into a runoff. In 2010, it backed veteran politician Juan Serra, a former Senator and cabinet minister and currently governor of São Paulo state (which has more people than Canada). He began the race comfortably ahead in the polls but his support tailed off even before the formal campaign began. It then fared poorly in 2014. Its best hope is probably another Alckmin candidacy.

However, its future does not look all that bright. The PT has taken over its previous ideological space on the center-left. It now seems as if the progressives may do the same on the center right.

**Democrats.** The **Democrats** are the fourth party having topped 10 percent of the vote as recently as 2006, though it fell short of that total in the first two elections held in this decade.

The Democrats were founded in 1985 as the Liberal Front. Many of its original leaders had been involved in ARENA, the party that had the closest ties to the military dictatorship. One of its first acts, however, was to support the presidential campaign of Tancredo Neves rather than the military's preferred candidate.

Today, it is a more conventional center-right party and is Brazil's member of an international coalition most of which have Christian Democratic roots. It also has close ties to the business community. In 2010, it supported Serra at the first ballot and supplied his running mate, Indio da Costa. It ran on its own in the congressional race and lost a third of its seats. Even more telling is the fact that it has lost more than 60 of its 105 seats in the last three congressional elections. That year, it only won two senate races, although it still held four other seats that were not up for grabs because those elections are staggered.

In short, the days of this party with ties to the old military regime may be numbered.

**Progressives.** Of the remaining parties, none won anywhere near 10 percent of the popular vote in 2014. Only two of them are worth noting here because they seem likely to feature prominently in the 2018 race.

The **Progressive Party (PP)** was formed under a different name in 1995 after a number of even smaller groups merged. It won seven percent of the vote and 41 seats that year, totals it has pretty much matched ever since.

Like the Democrats, the Progressives place themselves squarely on the center right. That said, they have more of a populist bent than the Democrats. While they at least implicitly supported Lula and Rousseff in presidential elections, the Progressives did not formally join either PT president's legislative coalition.

The PP is also deeply divided especially along regional lines. For example, the organization in the state of Rio Grande del Sud is extremely conservative. By contrast, the national leadership has been part of Lula's governing team for most of his two terms as it was with Cardoso before him.



I have included the party here because its likely presidential candidate, Jair Bolsonaro, is likely to come in anywhere from first to third in the 2018 election. He is the closest Brazil comes to having a right-wing populist politician who reflects the style of a Donald Trump or Marine LePen. Bolsonaro is a former air force officer who has spoken positively about the military regime and is known for his statements attacking gays and the left in general. He is also arguably the most popular politician in Rio de Janeiro.

**REDE/The Greens.** The other wild card in the massive array of smaller groups is the REDE or the Sustainability Network. In many respects, it replaces the Green Party that enjoyed its only moment of fame when one of the more enigmatic figures in Brazilian politics—Marinha Silva—represented it in the 2010 election.

Despite its leadership role in using alternative energy including hydropower and ethanol, Brazil has more than its share of environmental problems ranging from the destruction of the Amazonian rain forest that contribute to global warming to the massive pollution of Rio's harbor.

Over the last decade, Silva has come to embody the frustration many Brazilians share with the seeming disregard for environmental issues among members of the political elite. As a young woman, she was a rubber tree tapper who worked with the legendary activist Chico Mendes before his assassination. She cast her lot with Lula early on and became his highly respected environmental minister during his first six years in office, only to resign in frustration with the administration's reluctance to take bold steps on global warming or any other environmental issue.

In 2010, the Greens were at most a political afterthought until the party nominated her for the presidency and scored something of a breakthrough when she won 19 per cent of the vote and came in a respectable third. Four years later, she chose to run as the vice presidential candidate for the PSB candidate who died in a plane crash. Silva replaced him and won 21 percent of the vote.

Since then, she has created REDE and will be running as its candidate in 2018. So far, she is consistently polling in the top three and could well win if Lula is not on the ballot. What that will mean for REDE and the future of green-like movements in Brazil is anybody's guess, but it is only likely to succeed as a permanent force if it can combine environmental concerns with appeals to other leftist voters who are dissatisfied with what they believe is the fact that the PT has capitulated to corporate interests.

### *Other Pressures on the State*

People in the United States usually utter the term special interests with at least an implicit snarl because they are convinced that wealthy people and privileged organizations are able to wield extraordinary, undeserved, and improper power on their own behalf. In short, interest groups are not liked, except, perhaps, for those one agrees with.

At least until Cardoso's presidency, Brazilian special interests put those about interest groups in Washington to shame. The interconnections among the elites meant that a relatively small number of people ran the country, despite what the constitution said.

The most influential of the special interests were the military and business elites, which, of course, were often one and the same. They also often competed with each other and periodically threw each other out of positions of authority. Nonetheless, most of the losers—who had once been winners—returned to positions of influence albeit with different titles, occasionally in different regimes.

That landscape has changed in the last 30 years to the point that Brazil now has a full set of interest groups that can be arrayed on a broader political spectrum than we used for any of the more established democracies covered in Part 2. You can see that by considering four examples that illustrate that variety, leaving the military until we get to the state in the next section of this chapter.

### Business

There is some dispute about how close the cooperation between the military and corporate elites was. There is little debate about the fact that business and related military interests contributed to political instability and Brazil's failure to establish a democracy before the 1980s. Together, they were remarkably effective at keeping others out, most notably Brazil's labor movement and foreign investors. Instead, observers note the "Brazil cost," referring to the forms, permits, licenses, and regulations that were supported by these and other groups who were committed to import substitution.

Today, that has changed. Although we will put off talking about how business-state cooperation has helped open up the economy until the public policy section, no longer are the most influential businesses the ones with the closest relationships with the military and other authoritarian leaders. Now the key corporations are those that have come to play a dominant role in both the domestic and export economies and are inclined to adopt pragmatic and pro-growth strategies.

That does not mean that business groups or individual companies favor the same set of policy priorities. In fact, one can think of two conflicting corporate points of view.

When Brazil seemed most like an emerging power that would become a global player in the world economy on the basis of its exports of everything from soy beans to Embraer jets, business that wanted to reduce barriers to trade and investment were the ascendancy. Since the start of the recession in 2008, the balance of power has shifted toward companies that want to protect their domestic markets.

To see that, consider one recent example. On September 15, 2011, the government implemented a thirty percent increase on the tax imposed on some cars. Those made in Brazil and in its partner countries in Mercosur would be exempt. In short, the burden would fall almost completely on companies that imported cars and trucks in a familiar attempt to protect domestic industries. What is surprising and different from the past is that these same companies had been lobbying the government to make it easier (that is, more profitable) for them to export Brazilian vehicles that lead the way in the use of ethanol and multi-purpose engines that will work with any available source of energy.

In short, it is not clear which of those points of view will win out. What is clear is that the answer will be determined as much by global economic forces as by the wishes of any Brazilian groups, even ones as powerful as the big businesses operating on their own or through their trade associations.

### Labor

The authorities—even the military—always tolerated some union activity. Until recently, unions were not significant political forces. Even today, they are quite different from their European counterparts in one key respect. They have never had a clear link to Marxist or other socialist goals and have thus never resembled a potential revolutionary force.

Lula's personal history provides a good example. He was an apolitical, soccer-loving, beer-drinking teenager and initially was reluctant to join a union. However, he was drawn to the metal workers because of their union's demand for better salaries, working conditions, and other concrete benefits. When he joined in the late 1950s, a surprisingly large number of workers still did not have the right to vote because they were illiterate.

Unions did strike and otherwise defend workers' interests. But in the years before the military seized power, they had few other opportunities. Under military rule, however, Lula and his colleagues realized that they had to become far more political and that they could not protect workers' interests without ensuring a return to some semblance of democracy. That eventually led to a broad opposition movement to the military regime and eventually to the creation of the PT.

The CUT (Unified Workers' Central) was one of the forces that helped form the PT and counted Lula as one of its members. Founded in 1983, it did a lot to help bring down the military regime and sought to replace existing unions which were at least partially organized and controlled by the military and big business. Like many parts of Lula's coalition, the CUT's left wing defected as he moved rightward during his time in power.

The future of the union movement is probably quite bright, assuming it finds a way to overcome its internal divisions that essentially pit the far left against moderates. That is the case because more and more Brazilian workers are entering the formal economy, which means both that they earn regular wages and are easier to organize.

### The Women's Movement

There is little doubt that women are still far from equal to men. For instance, almost all domestic workers are women, and not even half of them are covered by health, unemployment, and other forms of social insurance.

Women only gained the right to vote in 1934. It was another 40 years before women began getting elected or appointed to major governmental positions in noticeable numbers.

The political status of women has improved during the last half century. Women (including former president Rouseff) played prominent roles in the resistance against military rule which propelled them to insist on a more visible profile in the new democratic regime. Thus, in 1995, the government passed a law supposedly guaranteeing women thirty percent of the candidacies on all party tickets. For a variety of reasons, that law has not worked as well as the comparable one in France.

In 2010, the feminist movement focused its attention on reproductive rights and, for the most part, lost. Abortion is only legal if a pregnancy was the result of a rape or if the mother's life is in danger. Despite these already existing restrictions, the supposedly left-dominated lower house of the legislature passed a bill that, in American terms, would have defined the start of life at conception. This occurred in a country in which twenty per cent of all women admitted to pollsters that they had had at least one illegal abortion during their reproductive years.

### The Movement of Landless Workers

An interesting unintended consequence of military rule and a distinctively Brazilian protest group is the **Movement of Landless Workers (MST)**. As we saw in the historical section, Brazil has long had a massive population of poor people who live outside of its crowded cities with their favelas. Some owned their own land. Most did not.

Angered and then radicalized under military rule, the MST organized a series of “occupations” of land that was inefficiently farmed or not farmed at all by members of the rural elite ([www.mstbrazil.org](http://www.mstbrazil.org)). The statistics about MST are less than reliable, but some suggest that it has 1.5 million members and can be found in every state with a substantial rural population. It began in the early 1980s when as many as ten thousand families occupied land in one of the poorest southern provinces. MST itself was formally organized in 1984 just as the military regime was ending.

The 1988 constitution laid out conditions under which poor people could assume control of under- or un-used land. But the real breakthrough came when land owned by one of President Cardoso’s relatives was taken over. The president decided to find out how and why this had happened. He disguised himself as an average farmer (to avoid the press) and talked with MST leaders.

In time, his administration passed legislation designed to put land occupations under the rule of law. Nonetheless, it still seeks to restore land to peasants whose property was expropriated and provide them with debt relief and compensation. It envisions a future in which family farms and not gigantic agri-businesses dominate this booming economic sector. And, of course, it continues to support land occupations by landless peasants, however they came to be landless. It has a lot of work to do. Despite its efforts and its links to the PT, the concentration of ownership of agricultural land has actually increased in the last generation and is among the most unevenly divided in the Global South.

The key point to consider here is not whether MST has been right or wrong in its work. Rather, consider the way that the military regime focused the landless workers’ hostility and how the Cardoso and Lula administrations both worked to include them, however imperfectly, at the highest levels of policy making.

## THE STATE

As should be clear by now, Brazil has not had a stable state for most of its nearly two hundred years as an independent country. Before 1988, the authorities often ignored the constitution they ruled under, and the rule of law has been honored in the breach for much of its history.

The most recent regime may be sinking more solid roots than any in the past. The military is largely out of the political picture. The country has gone through three presidential transitions, the first of which included the all-important transfer of power from one ideological team to another while the most recent one involved the impeachment of a sitting president.

Brazil’s growing role in the global economy and growth at home gives its regime unusual legitimacy and has made it reasonably effective (see Table 22.6) despite its current difficulties the reasons for which will be clearer yet after the section on public policy.

### *The Constitution*



Brazil is currently using its seventh constitution since independence. France, for one, has had more, but this is still a lot for any one country to have had in the last two centuries (earlier ones are summarized at [www.v-brazil.com/government/laws/history.html](http://www.v-brazil.com/government/laws/history.html)).

Country	Democratization (Country Rank)	Governance	Control of Corruption	Positive Peace (country rank)
India	32	56	44	107
Iran	154	47	32	137
Nigeria	109	17	11	153
Mexico	67	61	25	65
Brazil	51	48	41	63
South Africa	39	66	61	56

**Table 22.6**  
**Political Indicators**

The new constitution stands in sharp contrast with the one written by the military in 1967 ([www.v-brazil.com/government/laws/constitution.html](http://www.v-brazil.com/government/laws/constitution.html)). In particular, it is Brazil's first constitution that confirmed universal suffrage and banned the use of torture. At the same time, the new constitution retained many long-standing Brazilian practices while creating a strong presidency and a large degree of independence for the Congress, states, and municipalities.

The only truly significant amendments to the constitution were passed in the 1990s. During the transition, the military had insisted that the country adopt a system in which the president would share power with a prime minister, which was not in keeping with Brazilian political tradition. After the first presidents struggled to set the tone for the new republic, the population voted to return to a presidential system in a referendum in 1993, rejecting both the prime ministry and a return to a monarchy. In 1997, as noted above, it was also amended to allow a president to run for a second term in an attempt to provide more stability by adding a degree of continuity the institution had previously lacked.

### *The Presidency*

Article 64 of the constitution defines the president's power. As is the case of most countries with directly elected presidents, that office is by far the most influential one in Brazil. He or she names cabinet members and can dismiss them at will. The president can also veto legislation as well as propose it.

On the other hand, the president cannot compel Congress to accept his initiatives. In that sense, presidential power is akin to what Richard Neustadt claimed about the United States—it is mostly the power to persuade. Because of the splintered party system discussed above, recent presidents have neither had a majority in either house nor any other tools to compel coalition mates to go along with their wishes.

The one unusual and unilateral thing the president can do is to issue decrees. These have the force of law and remain in effect for thirty or sixty days until the Congress either affirms or denies them. The president issues dozens of them during the course of a typical year.

## Congress

Like almost all countries, Brazil has a bicameral legislature. Unlike those in parliamentary systems, neither the **Chamber of Deputies** nor the **Federal Senate** can cast a vote of no confidence on the cabinet. Their only option along those lines is the far more drastic one of impeaching the president which they did in 2016.

As in most countries, the two houses of Congress must approve a bill before it becomes law, including presidential decrees once their temporary legal status expires ([www2.camara.gov.br/english](http://www2.camara.gov.br/english)). The President can veto all or part of any bill. If that happens, it is sent back to Congress for reconsideration. A veto can only be overridden by an absolute majority of both houses taken by secret ballot. If the President and Congress remain at an impasse, there is a reconciliation process in which the two houses meet in joint session. The vetoed bill becomes law if both agree to it.

### Chamber of Deputies

The Chamber has 513 members, who are elected on a state-wide basis using the unusual version of proportional representation discussed earlier. The number of seats from each state is determined largely by population, but the smallest ones have at least eight members and the largest no more than seventy. The Chamber does not have unique powers such as those given the U.S. House of Representatives to initiate bills involving taxation and revenue. In short, it and the Federal Senate are roughly equal in power.

The one peculiar feature of the Chamber is that about a quarter of its members typically change parties during the course of a four-year term. That might seem like a recipe for chaos, but it did not turn out that way under either Cardoso or Lula. Instead, deputies defect to parties in their own ideological camp, usually to reinforce their own influence within the government or opposition. In fact, party discipline is stronger than it is in most fragmented systems in large part because, as noted previously, the parties normally agree to form a coalition for the length of the combined presidential and legislative terms.

The fluidity of party affiliations also helps explain why Rousseff was impeached. Politicians like Temer and Bolsonaro had plenty of historical precedents to turn to while they were making up their minds to get rid of the president whose coalition they were nominally a part of.

### The Federal Senate

The Federal Senate is much smaller and reflects state politics more than the Chamber of Deputies does. Three senators are elected from each state along with three from the federal capital of Brasilia. They serve eight-year terms with two-thirds of them chosen at one national election and one-third at the next. Unlike the deputies, senators are selected from a nonpartisan ballot with each voter casting two votes in years when two-thirds of the seats are open.

The Senate has the same basic powers as the Chamber but is less disciplined in large part because elections for it are held on a non-partisan basis. Perhaps for that same reason, Senators have faced even more corruption allegations than members of the Chamber. In 2009, they reached its leader, José Sarney, when it was revealed that the 181 senior civil servants in the Senate (remember, there are only eighty-one senators) received bonuses to their six-figure salaries the year before. Then Sarney was accused of taking an unwarranted \$2,000 housing stipend to live in Brasilia even though he already owned a house there. Given the culture of

coziness and the history of corruption in Brazil, this is not expected to cost the seventy-year-old Sarney much. Some of the civil servants lost their jobs, but, as Seth Kugel of GlobalPost.com put it, “get caught in a scandal in Brazil, you might lose your job. You’ll almost never go to jail” ([www.globalpost.com/dispatch/brazil/090804/brazilian-senate-scandals-guide?page=0,1](http://www.globalpost.com/dispatch/brazil/090804/brazilian-senate-scandals-guide?page=0,1)).

### *The Rest of the State I—The Civil Service and the Bureaucracy*

The civil service reflects the ambiguities of Brazilian institutions and the political culture of its elite. As in most advanced industrialized countries, senior-level bureaucrats are first recruited on the basis of examinations that are administered by semi-private testing agencies. However, because it is all but impossible to fire civil servants and because they receive huge pensions after retiring, the bureaucracy has become one of the most corrupt and inefficient components of the state. One only has to read accounts of how difficult it has been historically for foreign businesses to gain a foothold in Brazil to see how powerful these unelected officials are.

As we have already seen, Brazil is also a federal state. Much power has been given to the twenty-six states and the federal district of Brasilia. They, in turn, have to share power with municipalities, which share the characteristics of U.S. cities in urban areas and counties in the countryside. Again as we have already seen, large states and cities have been venues where a number of politicians launched political careers, more so than in most countries covered in *Comparative Politics*.

### *The Rest of the State II—The Resurgent Legal System*

The legitimacy, independence, and honesty of Brazil’s legal system were often held in doubt under military rule. That continued well into this decade for a number of structural reasons.

As is the case in most federal systems, the courts are primarily organized at the state and municipal levels. Only the Supreme Federal Court was politically important enough to have included in a chapter like this one because it has the power of judicial review. The court has eleven members who choose its president and vice president. They are appointed by the president and confirmed by the senate and can serve until they are seventy.

But in earlier editions, I only gave the legal system passing attention because the Supreme Federal Court may have been the most important judicial body in the country, but it was all what one observer called the most overworked court in the world, because it had to deal with over 100,000 cases in 2008. Its proceedings have been televised for almost a decade. At times, its decisions truly matter. Thus, in May 2011, it voted 10-0 to allow “stable” gay and lesbian couples to form civil unions, although it stopped short of endorsing same sex marriage.

All that began to change in the last few years when a new attorney general and a handful of justices decided to challenge Brazil’s culture of corruption head on. In the second half of 2017, outgoing Attorney General Brodigo Janot filed criminal charges against Lula and Rousseff after already having done so against Temer.

Before going any further, note that Janot had been appointed by Rousseff and continued to serve under Temer. In other words, he indicted his current and former bosses. He accused Rousseff and other PT leaders of running a multi-billion dollar kickback scheme and Temer of accepting a bribe to keep an already jailed politician from cooperating with prosecutors. His indictment of Lula was in addition to the case in which he had already been convicted.

Temer then further stoked the flames when he issued a decree making it easier to issue pardons for non-violent offenders—possibly including himself. The chief justice of the supreme court almost immediately suspended use of the decree.

Meanwhile, Janot’s success as attorney general asked the court to continue the injunction on the grounds that Temer’s decree would undermine the broader fight against corruption known popularly as the Lava Jato or Car Wash.

Temer has also been doing everything possible to make certain that he cannot be tried while he is still in office. Most observers expect him to be indicated as soon as he leaves office at the end of 2018.

### Comparative Emphasis The State

The Brazilian state reflects the paradox that is this chapter. On the one hand, its growing strengths had a lot to do with the boom that led to its “membership” in the BRICS and its reputation as one of the world’s emerging powers during Cardoso’s and Lula’s presidencies. On the other hand, Rousseff’s impeachment and the corruption scandals of the last decade in general suggest that the state’s supposed strengths rest on relatively weak footings. To use the language developed in Chapters 2 and 3, its state is simply not as institutionalized as those in the advanced democracies and thus has a harder time either resisting corruption or reacting to the scandals that have marked the last two administrations.

## PUBLIC POLICY

Any discussion of Brazilian public policy has to revolve around three aspects of its political economy: long-term economic growth, eradicating inequality and poverty, and its growing role as one of the world’s most important emerging markets. Progress on all three fronts was nothing short of spectacular during the last decade of the twentieth century and the first decade of this one. Confidence in the Brazilian state has been shaken by interrelated economic slowdown and the spate of corruption charges. Nonetheless, the “success story” is likely to prove lasting enough that it will be the focus this final main section of the chapter.

### *Boom Not Bust*

Recall the statement by Stefan Zweig that begins this chapter. Although written in the context of Brazil in the 1940s, it applied to Brazil for most of its history until the end of military rule.

Brazil’s natural and human resources have always been remarkable from its lush land to its highly educated population, at least by the standards of the Global South. Nonetheless, despite periodic bursts of growth, few analysts quibbled much with Zweig’s less than optimistic assessment.

All that changed beginning with Cardoso’s administration and continues despite the nagging recession the country still struggles with today. As with all the long term economic shifts discussed in *Comparative Politics*, we cannot make the case that state policies are wholly responsible for periods of either boom or bust. As we saw in Chapter 17, that is especially true today when the forces of the increasingly interdependent global market is limiting what any state can do to shape its own economic future.

Nonetheless, any explanation of the current economic surge growth has to start with the stabilization of the currency as part of the Plan Real adopted when Cardoso was Minister of Finance in 1994. Cardoso was not the first leader to tackle the inflation that had been a growth-limited economic problem for the bulk of the twentieth century. The military, for instance, tried to restrict price and wage increases to no avail. At best, they slowed the inflation rate a bit, but it is hard to give them too much credit since inflation reached a peak of nearly 3,000 percent during a single twelve month period in 1989 and 1990. In yet another example of the economic malaise, Brazil used eight different currencies in the twentieth century, including four between 1986 and 1990 alone.

Cardoso, Lula, and Rouseff do not deserve all the credit. Some important steps were taken under Fernando Collor de Mello, the otherwise disgraced former president, who opened the country to more foreign trade and investment.

Nonetheless, the key steps came when Cardoso overcame tremendous political opposition while serving as Finance Minister and introduced yet another new currency, the real. Initially, its value was tied to that of the United States dollar. In 1999, it was allowed to float freely and is now worth about \$.35 with much of its decline coming in the current recession.

Still, it had its intended effect at the time. Inflation ground to a halt. It had averaged about 45 percent per month in early 1994; after the introduction of the real it dropped to 2 percent that July. Steep budget cuts were introduced, cementing Cardoso's reputation as a neo-liberal which, of course, is a misleading term referring to an economic conservative or, in American terms, a budget hawk.

The introduction of the real also propelled Cardoso into the presidency later that year. He had fully expected Lula to win, which he was convinced would have put the fiscal progress in jeopardy. Therefore, he decided to run against his former comrade and won as discussed in the section on political participation.

For the next eight years, he continued his policy of stimulating growth through a more open economy based on stable prices. Lula and Rouseff continued his policies, albeit putting more emphasis (or at least giving more publicity) to the ways sustained growth reduced poverty and inequality. In short, the reforms of the last quarter century tamed many of Brazil's economic demons in ways that have benefited just about everyone.

The signs of success are everywhere. All of the world's major automobile companies make cars in Brazil where they also develop fuel-saving technologies. The new competitive spirit means that domestic "big box" stores have largely beaten off competition from European and American firms. Sometimes, too, Brazilian based firms have had to either merge or form alliances with foreign firms. In some cases, though, the impetus and clout comes from Brazil, as when the Brazilian firm InBev bought the American icon, Anheuser-Busch. In other words, a Brazilian now runs the company that brews America's favorite brand of beer, Budweiser.

There is no denying that Brazil is an economic powerhouse. From 1994 through the great recession, Brazil grew as fast or faster than any country in the Western hemisphere. Its growth rate has slowed in this decade, and the economy actually shrank by 3.5 percent in 2016. Nonetheless, when viewed from the perspective of the last 20 years or so, Brazil's economic performance ranks with India's or China's which puts it among the most impressive in the world.

Again, the state cannot take the credit for all these changes. More dynamic business leaders, growing exports and imports, and the impact of a globalizing economy all played a role. Yet we cannot ignore the role of the state in forging relationships between the public and private sectors at home and abroad. These links were first created under the discredited corporate system under Vargas in the 1930s. But now they have dominated economic life and seem to coexist with a functioning democratic rule.

### Manufacturing

Brazil is now a major manufacturing power. Most of the key companies were once state owned, but have found competitive niches now that they have been at least partially privatized and compete in global markets against other state and privately owned companies.

São Paulo is home to most of Brazil's world-class companies. Although Rio de Janeiro gets most of the publicity, São Paulo is the country's economic hub. The city and state have forty-five million inhabitants. Perhaps not coincidentally, it was built largely by immigrants who may have brought wealth into the area. It is, for instance, the home of Brazil's financial community and, by some calculations, is the fourth richest city in the world.

One of the most successful of those companies is Embraer ([www.embraer.com](http://www.embraer.com)). It started as a public company that made training airplanes for the Brazilian military, and it never made any money. In 1994, it was privatized along with other failing state enterprises. It then made the decision to enter the passenger airline market but wisely chose not to challenge Boeing or Airbus directly. Instead, it became by far the world's largest manufacturer of commuter and other short-haul airliners—its largest model seats 108. The odds are that if you have flown on a shorter route, it has been in an Embraer.

Some of the stand-out companies are still mostly owned and/or managed by the state, the most important of which is Petrobras (<http://www.petrobras.com.br/en>). By some accounts, it is the fourth largest company in the world with assets more or less equal to Microsoft's. It is certainly the largest company in South America.

Formed as a state monopoly in 1953, it was partially sold to private investors in 1997, although the state still owns a controlling interest. By that time, it had discovered and begun to exploit vast offshore oil fields. It was partially privatized in part so it could raise the investment capital needed to become a world leader in that segment of the petrochemical industry. As early as 2006, Brazil became energy self-sufficient and will probably become one of the four or five leading exporters once the recently discovered Sub-Salt fields come on line later in this decade. The field may have as many as 80 billion barrels of oil which is more than the proven reserves of the rest of the countries in the western hemisphere combined. Sub-Salt will make hundreds of billions of dollars for Petrobras and its investors. But in keeping with the new economic spirit of the times, the PT describes Sub-Salt as “patrimony of the Union, wealth of the people, future of Brazil.” Profits from Sub-Salt will mostly be used for long term development and other projects designed to end the lingering, but still significant, inequality.

Petrobras has also been at the heart of the scandals that brought Rouseff down. Most observers acknowledge that corporate executives (who had been appointed by the PT) “returned” three percent of the value of all contracts they signed with the government to the party's coffers. The size of those slush funds probably was unusual. However, some kind of close connection between executives in companies the state partially controls and the PT and other political parties is not atypical at all.



## Agriculture

Most orthodox economists downplay the contribution that agriculture can make toward economic development. Brazil is very much the exception. Unlike the other BRICS or the G8 countries, its growth has also been fed by a booming and modernized agricultural sector which has been noticeably affected by state policy over the last 30 years..

Brazil has always been an agricultural leader, selling coffee, sugar, cocoa, and tobacco in the United States and beyond. However, most of its farms were inefficiently run by absentee landlords who also happened to be part of the country's political elite.

That scenario has also changed with the financial and industrial reforms to the point that fully 40 per cent of its exports now come from the agricultural sector. And it has chosen what to produce and markets it well.

Such countries as China and Japan do not have much spare arable land. Brazil has fertile land in abundance. To make inroads in these and other potential markets, Brazil diversified its farming sector so that it was no longer dependent on just a few commodities and is now one of the top exporters of many agricultural products. Thus, it sells more soybeans to China than any other country. In addition to soya products, Brazil also has carved out a global niche in sugar, citrus products, various meats, and oil seeds. It did all of this without sacrificing its traditional crops. As many other agricultural exporters have learned, diversification is important because it does not leave a country vulnerable to the rapid switch between high and low prices that have so often devastated those countries that are dependent on a single or a handful of crops.

Many of the agricultural companies are state-controlled if not state-run. For example, Embraper has bred a pig that yields meat that is lower in fat and cholesterol than anything grown in the American Midwest. It is also a leader in biotechnology and bioengineering, now having developed an herbicide-resistant soybean that should be competitive with Monsanto's product in the few years.

How did Brazil do it? As with manufacturing, the answer is complicated, but the state played multiple roles. For one, it encouraged companies like Embrapa (<http://www.embrapa.br/english>) to cultivate previously fallow land. And, like Petrobras, it has been allowed to sell shares and has been encouraged to open sales and marketing offices around the world. State governments have gotten into the act as well. A foundation run by the state of São Paolo has focused on genomics, identifying the genetic code of dozens of productive plants and pesticides.

Finally, the government has spearheaded the sale of land to well over a million farmers who had previously worked as tenants and laborers on vastly inefficient farms owned by absentee landlords. Ultimately, Brazil will have to decide between its current support for both small farms and agribusiness. For now, it can do both without jeopardizing many, if any, profitable opportunities.

## Energy

The most surprising and perhaps the most important of these accomplishments is the fact that Brazil joined a handful of countries that are energy self-sufficient sometime around the middle of the last decade. The fact it could do so is both a testament to its abundant natural resources and to the way both its governmental and business elites have fashioned energy policy.

We have already seen that Brazil is a world leader in using ethanol as an automobile fuel. Ethanol is controversial in the United States where it is made from corn, which is not a very efficient source of energy. Brazil uses sugar cane, which yields about six times as much energy as corn per kilogram.

Similarly, as we also saw, Brazil is rapidly becoming a world leader in oil and gas production and will become a major exporter within a few years. Here, it had the benefit of joining the market relatively late. However, it is at least as important that the government sparked research and development through Petrobras and other companies which it influences or owns.

Meanwhile, Brazil is taking advantage of its hydroelectric system. A series of dams and other installations already provide the country with almost all of its electricity. And, not surprisingly given its climate, Brazil is likely to become a leader in solar energy production and, in time, of selling equipment for it in global markets.

Finally, Brazil is one of the least carbon-intensive countries among the world's industrial leaders. Reliable statistics are scarce, but roughly half of Brazil's energy comes from renewable sources. It remains a major emitter of carbon dioxide and other greenhouse gases, and it has been reluctant to make major commitments to the Kyoto Protocol and other efforts to curb climate change. That should not keep us from seeing the progress that has been made and seems all but certain in the near future.

The energy boom has rekindled two political debates. The first is over what the role of the state should be in any of the policy areas considered in this section. There are critics on the left who want policy to be more egalitarian and on the right who advocate a freer market. For now, however, there seems to be a broad consensus that the state is acting in a more or less reasonable way. Second, REDE and its allies in particular continue to worry about the growing pollution, the continued destruction of rain forests, and other environmental threats. Here, too, there seems to be widespread agreement that the government's decision to use profits from the energy sector to address environmental and other social needs is largely on target.

### [The Ambiguous Role of the State](#)

Not everyone who studies Brazil is enamored with recent governments' social and economic policies, especially given the economic downturn and political scandals of this decade. Indeed, criticisms come from both the left and the right.

Leftists argue that Cardoso and Lula sold out their admittedly quite different left-wing credentials and that Rousseff simply followed suit. Cardoso is most harshly attacked for Plan Real and, more important, for adopting the neoliberal agenda. There is more than a germ of truth to this argument, but these skeptics miss the reduction in inequality put in place during his two terms which we will consider in the next section. They are almost as harsh in their analyses of Lula. They accuse him of accepting the third way (which is true), first championed by Tony Blair and Bill Clinton. What they forget is that Lula was never a doctrinaire socialist and has always sought ways for Brazil to progress which, to him, required making his peace with a predominantly capitalist world.

The right-wing concerns are mostly from orthodox advocates of free market economics. They point to the mass of regulations that still exist and to the weakness of Brazil's corporate and bankruptcy law. They accurately cite plans to maintain as much national and state control of the economy as possible. To cite but one example, they oppose Lula's plan to require that all equipment made for the offshore oil wells be manufactured in Brazil. All but the most

orthodox economists acknowledge the progress Brazil has made and give Cardoso most of the credit and Lula most of the blame for slowing down the opening of the market.

### *Flattening the Hierarchy*

Even though the gap between rich and poor was as wide as it was anywhere in the world, few members of the Brazilian spent much time worrying about inequality other than under populist leaders like Vargas. Because the population was so heavily interracial, race, too, was rarely discussed.

By the time Cardoso came to power, neither race nor poverty could no longer be ignored. One could not avoid the overwhelming number of black people who lived in the mushrooming slums that surround Rio, São Paulo, and the other major cities. Newspapers in the 1990s featured stories of teenage boys who had little or no hope of a meaningful job and spent their time “surfing” on the top of commuter trains, daring each other to jump off at top speed. Both Cardoso and Lula sought to reduce the stigma of poverty and race. Given their respective backgrounds in the traditional elite and impoverished working class, they did so differently. It is hard not to be impressed by how much more egalitarian Brazilian society has become due to their efforts.

Most of what follows was achieved before the economic collapse and the political scandals that follow because governments since then have not been able to address long-standing social and economic issues in the ways they did under Carodo and Lula. And, it is hard to tell what the next president and government will be able to do to address the lingering social problems for the same reasons that it is hard to predict how they will go about trying to jump start the economy.

### Addressing Poverty

As Brazil has become more urban and prosperous, it has developed arguably the world’s most rapidly growing middle class. According to one study, half the population makes between \$1,000 and \$2,750 a month, which puts them squarely in the middle class by Brazilian standards. Another sixteen percent makes even more, including 200 or so households with a net worth of \$100 million or more. That means that many more people can buy cars, homes, and wide-screen televisions. By January 2008, for example, 122 million cell phones were in use, a remarkable total for a country of not quite 200 million people. About half of the country has access to cable or satellite television, and the overall internet connection rate rivals what we find in the United States or Europe.

Readers who live, like I do, in North American suburbs should not read too much into this data. Millions of people live in *favelas*. No one can give an exact number since no one has developed a commonly accepted definition what makes a community in one of these ramshackle slums on the outskirts of the biggest cities. The most depressing estimate is that as many as half of Rio’s six million residents live in one of them. Most of the favelas were constructed illegally. People build primitive homes from whatever materials they can find. Few have electricity or running water. Many of the favelas have become permanent cities within the major urban agglomerations.

The favelas are, however, just the tip of the iceberg of Brazilian poverty.

Overall, Lula's government estimated that almost 20 percent of the country lived in poverty during the run up to the 2002 and 2006 elections. No one knows for sure what the exact figure is. Millions of people live on the minimum wage which was set at \$228 a month in 2016. Millions more actually live on less since they work outside the formal economy and are not subject to the minimum wage law.

The Cardoso, Lula, and Rousseff governments have done a good job of addressing poverty—even if they have drawn the most attention for their broader economic reforms. Much of the credit has to be given also to a series of social service programs begun under Cardoso and expanded under Lula, the most important of which is the *Bolsa familia*. These family grants are not terribly different from those we saw in the chapters on France and Mexico. They are small, averaging about \$12 per child per month. Nonetheless, they have allowed millions of Brazilian families to navigate their way out of long-term poverty. One study found that the number of children not attending school declined by 36 percent. The rate of childhood malnutrition was cut by two-thirds. Overall, during the first decade of this century, the program is credited for moving at least three million Brazilians out of extreme poverty, which the UN defines as lacking food, health care, and other basics needed to enjoy at least a subsistence standard of living, which has been pegged at the equivalent of roughly \$1.25 a day.

In June 2011, the Rousseff government announced the creation of a new program, *Brasil Sem Miséria* (Brazil Without Poverty). It would expand Bolsa Familia coverage by transferring funds to the poorest regions such as the Northeast. Even more important, it shifts the responsibility from poor people, who previously had to take the initiative in seeking aid, to the state to assure that poor people have access to programs designed to help them. As Minister for Social Development Tereza Campello put it, "for that we need to change the mindset that it is up to a poor person to come to the state, and ensure that the state reaches out to the poor person."

### Race

Brazilian leaders long avoided the question of race. They pointed to the fact that the country has been even more of an ethnic melting pot than the United States. To Brazil's credit, the leading candidates for the presidency in 2010 were of Italian (Serra) and Bulgarian (Rousseff) origin.

In fact, as we saw at the beginning of the chapter, racial discrimination remains an important part of Brazilian political, social, and economic life. The higher you go in any hierarchy (other than soccer and pop culture), the higher the percentage of white-looking people you find.

The myth of the country as a "post-racial" democracy has evaporated over the last eighty years. After 1930, black activists organized the *quilambismo* movement, named for the communities to which runaway slaves escaped in the nineteenth century.

But it was only in the 1980s and beyond that the country seriously attacked racial discrimination. The effort began under Cardoso who instituted the first affirmative action programs. Lula took the programs to end racial discrimination one step farther when he created the Special Secretariat for the Promotion of Racial Equality during his first month in office in 2003. That was followed by more affirmative action programs that guarantee slots in universities and the civil service for Afro-Brazilians. By 2007, almost all of the major federal public universities had established quotas for black and public school students (often one and the same). As in the United States, there are movements that demand financial reparations for the descendants of slaves, though they are not likely to succeed in either country.

## HOW WRONG WAS STEFAN ZWEIG?

When Zweig claimed that Brazil would always be a country of the future, he could not have anticipated the changes of the last quarter century. One of the reasons Zweig thought Brazil would never reach its potential was its normally unmet foreign policy goals. As the largest country in South America, it was a regional power. However, it was poorer than at least Chile and Argentina most of the time, so its regional power was almost purely geopolitical. Its impact outside South America was negligible.

As a result, it makes sense to end this chapter by seeing how Brazil's role in global affairs has changed which is not likely to change appreciably whatever happens in the next presidential election and beyond.

### Globalization In Brazil

Many commentators have complained about the toll globalization has taken in the Global South.

Whatever its merits in general, it is hard to make that case for Brazil or the other BRIC countries, other than Russia. It has opened As with everything else in this book, the emergence of Brazil and the other BRICS has many causes. One of the most important of them has been the opening of the economy at precisely the same time that everyone started using the term globalization.

Until Cardoso took office, Brazil maintained a reasonably strict policy of **import substitution**. Surprisingly, the government did not encourage exports. And it sharply restricted the amount of direct foreign investment in the country in part by limiting how large a share of a company that foreigners could own.

The government has sharply reduced those limits in two ways. First, it has partially privatized a lot of nationalized companies, the most important of which is Telebras, the telecommunications giant. Like most countries, it has also allowed foreign competitors to enter the market, albeit with a Brazilian partner. Second, even companies Petrobras and the Banco do Brasil float shares on the stock exchange, although the government still sharply limits the percentage of a company foreigners can own and otherwise controls enough shares to make foreign takeovers all but impossible.

The net result of this has been a massive influx of direct foreign investment. When the Real Plan took effect, foreigners invested less than a billion dollars a year in Brazil. Today, the annual figure is over \$5 billion and amounts to 1.6 percent of Brazilian GDP. In addition to the legal changes on imports, the dramatic reduction in inflation produced by the Plan Real made a difference because it gave investors a degree of certainty about what would happen to their money.

Brazilian companies have also become major exporters now with the explicit support of the government. Embraer, for instance, sells more than 90 percent of its airplanes abroad. It has even established a joint venture to manufacture airplanes in China. Similarly, most of the major banks have opened offices abroad. They were initially created primarily to serve the

expatriate community, but increasingly they are becoming minor players in the financial markets in a host of countries.

Brazil has also become a trading nation. Exports in the sectors discussed above and more account for 30 per cent of GDP in an average year. Until the recession and the political scandals hit, Brazil had a normal annual trade surplus of about \$25 billion, which is far higher than other developing countries. It is diversifying its trade so that, unlike Mexico, it is not heavily dependent on a single trading partner.

Furthermore, Brazil is adding value to the goods it produces and doing so through companies that are at least largely Brazilian-owned. To return to agriculture for a moment, Brazil is home some of the world's largest meat-packing companies that more than hold their own against the likes of Purdue and Cargill.

Finally, Brazil is developing its own multinational corporations. None have made into *Fortune* magazine's list of the top 100. Nonetheless, Brazil is home to 114 of the top 1,000 multinationals in emerging markets, bested only by China and India. Some of them are truly global in scope, including Embraer and AB InBev which owns Budweiser, Stella Artois, Beck's, and Corona.

In short, the words Brazil and global power are not spoken together as some sort of political joke as they were when FHC published his book, *Dependence and Development in Latin America*. Like most left-of-center academics of his day, the future president thought Brazil was caught in the trap of dependent development that has hindered the progress of most of the Global South. Little did he know that Brazil would change so much and so fast, let alone that the state would have a lot to do with its transformation.

Strangely enough, like many countries that have been ruled by the military for extended periods, Brazil has rarely been a major player in international relations defined in conventional terms. Whatever the domestic situation, Brazil has not been at war for more than half a century and then only barely. Brazil supported the Allies in World War I, although it did not actually enter the conflict. It did join the Allies in battle in 1942. Its ships patrolled the Atlantic, and an expeditionary force of about 25,000 men participated in the invasion of Italy. Other than that, Brazilian troops have not seen combat in more than a century.

As would only make sense for a country with a long history of military engagement in political life, it has kept its military up to date. There were even rumors in the 1970s and 1980s that it was considering building an atomic bomb. After the military regime fell, Brazil ended its fledgling program and signed the Nuclear Non-Proliferation Treaty.

Most important of all, Brazil *is* becoming a superpower of a new kind, defined not by the power of its weapons but by the power of its economy. And here we see broader importance of the material in the previous section.

As we saw more generally in Chapter 17, globalization is altering almost all definitions of what it means to be powerful early in the twenty-first century. There is no better indicator of that than the claims Brazil, India, Germany, and Japan have made for permanent seats on the U.N. Security Council with the same veto power as the United States, Britain, France, Russia, and China.



Joining the debate over the future of the Security Council would take us too far into the part of political science that international relations scholars claim as their own. Even on a superficial level, however, Brazil can make a solid case for that seat. Cardoso and Lula both enjoyed some success in brokering a degree of détente between the United States and Cuba. It is becoming a significant donor of foreign aid, especially to those countries it tends to agree with and which could use Brazilian expertise, most notably in combating HIV/AIDS. Brazil has participated in close to thirty peacekeeping missions under United Nations auspices and has led the mission in Haiti since 2010. The general who led the peacekeepers was killed in the earthquake. Most importantly, Brazil has been one of the leaders in expanding the —family|| of leading countries from the G-8 to the G-20.

Whether Brazil will get a seat on the Security Council is anyone’s guess and takes us beyond the scope of this book. We have argued time and time again that the division between international relations and comparative politics is increasingly artificial. Nonetheless, a discussion of the twists and turns of U.N. politics would make a very long book and chapter even longer.

## Key Terms

### Concepts

dependency

*favelas*

import substitution

*jeito*

liberation theology

mulatto

open list proportional representation (OLPR)

pacting

positivism

### People

Cardoso, Fernando Henrique

da Silva, Luiz Ignacio Lula

Kubitschek, Juscelino

Lula

Pedro I, Emperor

Rousseff, Dilma

Temer, Michel

Vargas, Getúlio

### *Acronyms*

BRICS

MST

OLPR

PMDB

PP

PSDB

PT

### *Organizations, Places, and Events*

#### *Bolsa familia*

Brazilian Democratic Movement Party (PMDB)

Brazilian Social Democratic Party (PSDB)

Chamber of Deputies

Democrats

#### *Estado Novo*

Federal Senate

Movement of Landless Workers (MST)

Plan Real

Progressive Party (PP)

#### *tenentes*

Treaty of Torsedillas

Workers Party (PT)

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