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Neopopulism in Brazil's Democratic Consolidation: A Comparative Analysis¹

Ever since the military returned to the barracks in 1985, Brazil has struggled to rebuild its political system along democratic lines. The path toward democracy, however, has been rocky at best. The first direct presidential elections in 1989 demonstrated the complexity of making the transition from authoritarian rule in an environment with weak leadership and a fragmented political party system. In a 1989 article, Steven Sanderson and I argued that such a political environment fostered the rise of populists, ignoring "the art of the possible" and eager to promote the electorate's "anti-political" attitudes.² The winner of that election (Fernando Collor de Mello) went on to become a celebrated defender of anti-corruption and neoliberal ideals – only to be forced out of office in 1992 on corruption charges himself. The removal of the first popularly elected president in more than two decades plunged the political system into a leadership crisis, one that the electorate hoped to solve in October of 1994 with yet another direct presidential election.

This article compares the political environment of the recent presidential campaign to the 1989 elections. It addresses some important questions as to the language and symbols used by neopopulists today in their quest for electoral victory: How do Brazilian neopopulists connect with their electorate? How does populist rhetoric compare on the ideological spectrum (left and right)? In essence, the article seeks to explain how the neopopulists "bridge the gap" between themselves and the citizens. Unlike the campaign experience in 1989, the electorate in 1994 had the previous election as a basis for comparison. This vantage point made the work of the neopopulists all the more challenging. The electorate demanded political realism. However, a deteriorating economic situation, coupled with a fragmented political party system, provided fuel for the political ambitions of neopopulists. Tension between these two forces (political realism and "anti-political" attitudes) cannot be resolved through a single presidential election, but it can certainly compromise the drive toward democratic consolidation.

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² Perruci, Gamaliel Jr. and Steven E. Sanderson: "Presidential Succession, Economic Crisis, and Populist Resurgence in Brazil". In: *Studies in Comparative International Development*, 24, Fall 1989, pp. 30 – 50.

The Brazilian case can be compared to the experiences of other Latin American countries in recent years. In a concluding section, this article compares the Brazilian experience to that of four other Latin American countries (Mexico, Peru, Chile, and Argentina). This regional comparison provides new analytical insights into patterns of democratic consolidation in Latin America during the 1990s.

The 1989 Electoral Experience

Even a cheap pulp fiction writer could not have created a more unbelievable plot for a country undergoing political transition. First, a presidential candidate (Tancredo Neves) was elected by an Electoral College, following months of negotiation with the outgoing military leaders.³ Much of the optimism contained in this transition to civilian leadership was dashed by the death of the president-elect before his taking the oath. Conspiracy theories emerged as the vice-president (José Sarney), once head of the military-backed party (Aliança Renovadora Nacional, or ARENA), took on the presidential sash. Had the military killed the president-elect in order to keep "their man" in power? Without clear answers, the people had to accept the new president as the legitimate leader in the transition to civilian rule. However, the new president never gained the respect of an elected leader. Instead, he became a transitional figure, waiting for the new elections to choose the first *real* civilian president.

In the meantime, economic conditions worsened.⁴ Inflation, which was 100 percent a year when the president-elect died, was now reaching 1000 percent. Conditions became ripe for the resurgence of populism.⁵ Two candidates in the new presidential elections gained wide support offering different populist prescriptions. On the political right, one offered a neoliberal message (individual empowerment) as the way out of the crisis.⁶ On the political left, a worker turned candidate offered the empowerment rhetoric of the disenfranchised, those left behind by the "economic miracle" of the 1960s.

3 For a good review of events leading up to the election of Tancredo Neves by the Electoral College, see Skidmore, Thomas E.: *The Politics of Military Rule*. Oxford University Press, New York 1988, ch. 8; and Mainwaring, Scott: "The Transition to Democracy in Brazil". In: *Journal of Interamerican Studies and World Affairs*, 28, Spring 1986, pp. 149 – 179.

4 For a review of events during the first years of civilian rule (1986 – 1988), see Alves, Maria Helena Moreira: "Dilemmas of the Consolidation of Democracy from the Top in Brazil". In: *Latin American Perspectives*, 58, Summer 1988, pp. 47 – 63.

5 For a good comparison between this period and that of the 1960s when the military came to power, see Markoff, John, Silvio R. Duncan Baretta: "Economic crisis and regime change in Brazil: the 1960s and the 1980s". In: *Comparative Politics*, 22, July 1990, pp. 421 – 444.

6 For a good biography in English of the neoliberal candidate, Fernando Collor de Mello, see *Current Biography*, 51, March 1990, p. 6.

The candidate of the left (Luis Inácio "Lula" da Silva) appealed to grass-roots mobilization as the foundation of a political revolution in democratic representation. By calling on the workers to mobilize the masses, the worker-candidate challenged the status quo.

The fantastic plot did not end with the neoliberal candidate's victory. After three years in office, the anti-corruption, neoliberal president was swept out of office on charges of corruption.⁷ Once again, the country was left with a little known political figure (Itamar Franco). The very fact that the vice president did not even have a political party to call his own led to a complex set of political arrangements under which political parties had to form coalitions to support a government that did not have a power base either in Congress or among the people. The sense of déjà-vu was further complicated by the worsening economic condition. The vice president (now president) also became a transitional figure. This transitional status set the stage for yet another presidential election with the worker-candidate waiting once again for the opportunity to challenge the status quo. In less than 10 years, Brazil experienced the loss of two presidents and the transitional status of two administrations. A novelist would have been hard pressed to sell such a plot to a reputable publisher.

But before delving into the 1994 campaign, the previous electoral experience can shed important light on the most recent presidential race. The rhetoric of both the left and the right during the 1989 presidential campaign represented two political models of what we can call "neopopulism". The worker-candidate ("Lula"), developed a broad-based coalition in the 1980s, which included radical unionists, landless peasants, shantytown activists, university intellectuals, and even the progressive wing of the Catholic Church. A northeastern migrant to São Paulo, Lula had been a metal-worker and union leader in the late 1970s, a time when the military government was undergoing a political opening up of the system. Branded a radical socialist, Lula chose as his campaign slogan the saying "Without fear of being happy" (Sem medo de ser feliz). This slogan represented his hope that the population would overcome fear of change and vote for a leftist candidate.

Lula's Workers Party (Partido dos Trabalhadores, or PT), since its official launching on February 10, 1980, has been committed to ideological purity (around socialist principles) and an uncompromising opposition to the military regime. PT refused to participate in the Electoral College vote in 1985, which set in motion the transition to civilian rule. Instead, it concentrated on building the party base in order to compete, on a national level, in the direct popular elections – which were scheduled for 1989.

7 See "Drunk not sick: a survey of Brazil". In: *The Economist*, December 7, 1991, pp. 1 – 22; Flynn, Peter: "Collor, corruption and crisis: time for reflection". In: *Journal of Latin American Studies*, 25, May 1993, pp. 351 – 371.

The 1989 presidential race became the first test of the PT's national appeal. The first polls conducted in early 1989 showed Lula running even with another populist, Leonel Brizola, with about 12 percent each while ten other candidates were far behind with no more than 5 percent. Brizola, an old-style populist who had returned from exile following the general amnesty in 1979, attempted to resurrect the appeal of classic populists in Brazilian history, such as Getúlio Vargas, who mobilized labor in a corporatist concert with business, but kept union leadership under close state control.⁸

Parties of the center and right were in disarray given the poor performance of President José Sarney (1985 – 1989), associated with a Democratic Alliance (AD) that brought two parties together – one associated with the center (the Party of the Brazilian Democratic Movement, or PMDB) and another with the right (the Liberal Front Party, or PFL).⁹ Dissatisfied with the moderate platform of the PMDB, a left-center faction withdrew from the party to form the Brazilian Social Democratic Party (PSDB).

The main conservative contender, Aureliano Chaves (PFL), had been vice-president under the last military presidency (1979 – 1985). His lack of personal charisma, coupled with his association with the former military regime, diluted the effectiveness of his candidacy. The ideological vacuum on the conservative side provided the basis for the meteoric rise of Fernando Collor de Mello, associated with the business elite in one of the poorest states in the Northeast, Alagoas. He had first approached the PMDB to launch his candidacy, but his association with the military regime (he had been appointed mayor of Alagoas' capital in the 1970s) made a PMDB candidacy paradoxical. Instead, Collor established his own party, the Party for National Reconstruction (PRN), and adopted a conservative agenda based on neo-liberalism. His youth and charisma became powerful complements in a political system that was plagued with the old politicians, many of whom had returned from exile and reentered Brazilian politics following two decades of military rule.

By June 1989, Collor had 45% support in the polls. In order to consolidate his position, the presidential candidate formed a critical coalition between the Northeastern rural poor and the business elite.¹⁰ As figure 1 shows, the

8 For a representative discussion about Vargas' style of populism, see Chacón, Vamireh: *Estado e povo no Brasil: as experiências do Estado Novo e da democracia populista, 1937 – 1964*. Livraria J. Olympio Editora, Rio de Janeiro 1977; Skidmore, Thomas: *Politics in Brazil, 1930 – 1964: An Experiment in Democracy*. Oxford University Press, New York 1967.

9 PMDB, previously called simply MDB, had been the opposition party during the military regime. The military only allowed two parties to operate, MDB, and the conservative National Renewal Alliance, or ARENA. The military worked mainly with ARENA politicians to get its agenda through Congress. ARENA therefore came to be called the military party.

10 For an excellent theoretical study of the relationship between business elites and democracy, see Payne, Leigh A.: *Brazilian Industrialists and Democratic Change*. The Johns

Brazilian poor did not constitute a homogenous group, but could be broken down into three main subgroups. Each populist candidate connected differently with the poor electorate. Lula's PT found the organized urban poor very receptive to his message of social mobilization based on class consciousness.¹¹ Unable to build the same type of worker's party, Brizola relied on his clientelist experience under Vargas. Migrants from the hinterland to the urban centers were particularly susceptible to this strategy because they faced the uncertainty of an overwhelming urban environment. By presenting himself as a trusted "patrão" (patron), Brizola created his own niche in the fight for the poor.

Collor was able to appeal to the unorganized rural poor of the Northeast through a moralistic message of "social justice" and anti-corruption. His political experience in the Northeast had shown him how conservative peasants were, in an area long dominated by elite families. Rather than openly taking on those elites in the name of the poor, he presented himself as the defender of clean government. The rural poor found this message appealing. As governor of one of the poorest states in the country, Collor's campaign against highly paid public employees (who often did not show up to work but collected huge paychecks) earned him the nickname of the "hunter of maharajahs." Collor played a delicate game of campaigning on social justice, while at the same time preaching a neoliberal message, clearly geared toward the business elite. Collor's party (PRN) did not engage in social activism to the extent that the PT provided for Lula. Therefore, Collor's social message was taken by the business elite as populist rhetoric.¹²

Hopkins University Press, Baltimore 1994.

11 As he stated in a newspaper interview following the first round of presidential election: "Without the permanent participation of organized civil society there is no democracy, no socialism." In: *Jornal do Brasil*, November 26, 1989.

12 As Federal Deputy Paulo Delgado noted, Collor's electors were "those who know him [the rich] and those who don't [the poor]. The first supported him because they think he'll change nothing; the second because they think he'll change everything". As quoted in Sader, Emir and Ken Silverstein: *Without Fear of Being Happy*. VERSO, London/New York 1991, p. 143.

SUBGROUP	CHARACTERISTICS	SUPPORT	BASIS OF ANTI-POLITICS SUPPORT
labor	organized class-conscious unionized grass-roots	Lula	socialism charisma
migrants	new into urban centers conservative	Brizola	clientelism charisma
rural poor	unorganized moralistic conservative	Collor	moralism charisma

Figure 1: Candidate Support Among the Brazilian Poor (1989 Presidential Campaign)

Source: Based on Sader, Emir and Ken Silverstein: *Without Fear of Being Happy*. VERSO, London/New York 1991, p. 120.

The first round of voting on November 15 established the three top candidates. Collor finished first with 28 percent, followed by Lula (16.5 percent) and Brizola (16 percent). The PSDB, competing on a center-left agenda, finished fourth with 10 percent. The top two winners in the first round represented the new expressions of populism in Brazilian politics. While Lula espoused the "organization of civil society" toward socialism, Collor became the defender of neoliberalism. Both ideologies were based on individual empowerment. While the former viewed social mobilization of oppressed groups as liberating, the latter preached the individual's liberation against an oppressive state.

What became evident from the first round was the strong support, among voters, for a leftist agenda. Lula, as the remaining candidate of the left, therefore sought to unify the left against Collor. Lula quickly gained the support of Brizola. The PSDB, however, viewed labor radicalism (agrarian reform and debt moratorium) with suspicion. It took Lula several weeks to negotiate an agreement with the PSDB. In the process, Lula toned down his rhetoric in order to move to the center-left.

By December 13, four days before the election, the vote was too close to call. Collor was still ahead with 46 percent, but Lula's 45 percent made the results ambiguous because of the survey's margin of error. While negative campaigning became a center strategy of both candidates in the last days of the campaign, the critical area became São Paulo state, where both business elites and labor were the strongest. In the end, Collor had the upper hand in São Paulo, receiving 50.1 percent to 36.4 percent for Lula. At the

national level, the second round was a close contest. Collor received 35 million votes, while Lula finished second with 31 million.

While many voted for Collor, for fear that a Lula victory would bring about military intervention, Collor took the result as a vindication of his neoliberal message. He did pursue his social justice agenda to some extent (including a tax hike on the rich), but the focus of his administration centered on reducing the size of the state and its influence on the market. He established a privatization program for state enterprises, liberalized trade, and laid off close to 100,000 state employees.

His economic recovery program turned out to be a huge failure. Inflation continued to soar, along with crime, violence and social inequality. By the time he was finally forced out of office in 1992 on corruption charges, he had lost much of his populist image as the long-awaited saviour. The country's disillusionment added to the cynicism Brazilians felt toward the political process. Once again, they had been left with an uninspiring vice-president, Itamar Franco, whose transitional status further eroded governmental effectiveness in dealing with pressing socioeconomic issues. As the following section will discuss, this second experience set the stage for a very different presidential campaign. This time both candidates and voters were careful about manipulating populist images.

The 1994 Presidential Campaign

As Brazil embarked on yet another presidential campaign, voters were once again asked to digest a series of images that candidates wanted portrayed in the political discourse. The neoliberal rhetoric popular in the 1980s joined forces with the vision of "clean and responsible government." In the five years since Collor's election, Brazil had gone through a number of political crises that involved both the executive and the legislative branches. Corruption charges exposed the political process to a relentless series of congressional investigations. In turn, voters became even more sceptical as to the viability of political leadership in the Brazilian context.

While President Franco was not viewed as a dynamic leader, he remained above the corruption charges that befell Collor. However, his attempt to reconcile Collor's "social justice" campaign promise with fiscal responsibility became a source of paralysis in his administration. Unable to expand social programs, while battling shifting party alliances in the legislature, Franco never succeeded in bringing the country under a focused socioeconomic agenda.

After three finance ministers with plenty of expertise but little political experience, Franco handed over the economic reins to a São Paulo PSDB

senator, Fernando Henrique Cardoso.¹³ Although a sociologist by training, Cardoso had enough political capital to move an economic agenda through the Congress. He called for a new currency ("Real") along with strict controls over government spending and exchange parity with the U.S. dollar.

His image as a respected and skilled politician, and trusted decision-maker, quickly converted him into a "presidenciável", or, one whose presidential candidacy is considered viable.¹⁴ As the public media began to portray him as a likely presidential candidate, governing parties began to review their support for Franco's administration. President Franco did not help matters by clearly expressing his preference for a Cardoso candidacy.¹⁵

If Cardoso's economic recovery plan succeeded, he would certainly become the strongest candidate. Even Collor came out of political hiding to denounce the timing of the Real Plan as being defined by Cardoso's presidential ambitions.¹⁶ As the plan gained momentum in the fall of 1993, the competing parties (i.e., especially the PMDB and the PFL) began to reevaluate their support in Congress. But this lack of support also helped Cardoso because his untested plan became the victim of politics, which allowed him to present an anti-political message to the voters: "Politics is keeping this plan from succeeding." In the process, Cardoso remade himself into a technocrat, which continues to be an acceptable commodity in Brazilian politics.¹⁷ Even while a finance minister, Cardoso began his attack on Lula's "Frente Brasil Popular" as his alliance of leftist parties was called. Cardoso argued that the country needed a "common project" for its political forces, and Lula's PT front could not provide such a common ground.¹⁸ In terms of presidential campaigns, therefore, both Cardoso and Lula began by the spring of 1994 to portray themselves as "candidates above politics."

The political climate by the spring seemed similar to the one during the 1989 presidential campaign. Once again, the center and right were in political disarray. The political vacuum in the center and right was best represented by a poll taken in early March in which Lula received 31 percent of the votes, while the candidate of the center-right turned out, surprisingly, to be Sarney

13 President Franco gave Cardoso so much power above the other ministries, that the public media came to regard Cardoso as a "prime minister," which created jealousy among the other coalition parties. See "Cardoso ganha poder de primeiro ministro". In: *O Estado de S. Paulo*, May 21, 1993.

14 As the PSDB leadership considered Cardoso their party's candidate, a possible coalition with the PT was studied. But the dividing point was Lula's inability to accept the vice-presidential position. See *Folha de S. Paulo*, March 10, 1994.

15 *Jornal do Brasil*, March 14, 1994.

16 *Correio Braziliense*, March 15, 1994.

17 For an excellent debate about the relationship between Brazilian politics and economic policy-making, see Marks, Siegfried (ed.): *Political Constraints on Brazil's Economic Development*. Transaction Publishers, New Brunswick 1993.

18 *O Estado de S. Paulo*, March 19, 1994.

with 13 percent. Cardoso came out fourth with only 9 percent, due in part to the uncertainty of his candidacy at that time.¹⁹ Factions within the PMDB could not agree on a presidential candidate. The PFL did not have any candidate with enough national stature to launch a credible campaign. As a result, the main rhetorical battles were waged on the left of the ideological spectrum.

Lula's continued campaigning after his failed bid in 1989 guaranteed his front-runner status for the upcoming presidential election, as that March poll indicated. The effective organization of his party apparatus made him a national candidate – an enviable position in Brazilian politics, where politicians often have to resort to regional alliances in order to be elected. Cardoso's role in the development of an economic recovery package also made him a national figure – although his party did not enjoy that same national status. By mid-March of 1994, Cardoso had already overtaken the center-right candidates and clinched the second spot with 14 percent of the vote (Lula went up to 35 percent).²⁰

By the end of March, Cardoso was forced to resign his ministry post in order to become a candidate. Constitutional rules did not allow government officials to be political candidates at the same time. This decision invited criticism from Lula, who argued that Cardoso had abandoned his plan before it could be implemented. This decision, Lula argued, would give Cardoso a later excuse if the plan failed: "If I had been in the government, it would have worked."²¹

The political vacuum on the conservative side was similar to the situation in 1989. Lula took on the front-runner status, while Cardoso tried to close the gap. This lack of party competitiveness on the right gave rise to the Collor populist phenomenon in 1989. During the 1994 election campaign, Cardoso seemed aware of this possibility. Still, in March, he considered a possible alliance with the PT, which would mean the virtual election of a left coalition. If it were not for PT's "pretentious" attitude, Cardoso was reported as saying, a PT-PSDB coalition would work. But, as he continued: "The PT has the feeling that, by divine right, it has to be the one governing Brazil."²²

Therefore, Cardoso looked to the right. He engineered an anti-Lula coalition between his PSDB and the conservative PFL.²³ A PSDB-PFL

19 *Correio Braziliense*, March 16, 1994. According to the same survey, Sarney would lose to Lula during the second round of voting. In addition, Lula's and Sarney's political strength showed up mainly among the less educated voters. Cardoso registered 22 percent of support among the more educated electorate.

20 *O Estado de S. Paulo*, March 19, 1994.

21 *Folha de S. Paulo*, March 28, 1994.

22 Reported by *Folha de S. Paulo*, March 19, 1994.

23 The coalition also included the moderate Brazilian Workers' Party (PTB), although the focus and balance of power remained on the PSDB and the PFL.

coalition for the first round stretched the "ideological imagination" but it made strategic sense. Such a coalition opened the possibility of PSDB becoming competitive in the Northeast (PFL's stronghold), where Lula was running strong. From an ideological standpoint, the PSDB was formed in the early 1980s as a party committed to the social issues that the PMDB had abandoned with its move toward the political center. Its claim to be the true representative of the center-left has given the PSDB a genuine identity among parties of the left. On the opposite side, the PFL was the moderate wing of the political party (PDS, the successor of ARENA on the political right) that arose during the end of the military government. Although it has moved to the center, especially with its coalition with the PMDB during the 1985 presidential campaign, its neoliberal ideals do not fit the social democratic vision of the PSDB.

A PSDB-PFL coalition constituted a powerful anti-Lula front – a role Collor took on in 1989. As Figure 2 shows, party politics in the last two decades has been a patchwork of many different ideologies and coalition building. A PSDB-PFL coalition weakened considerably the effectiveness of a PMDB candidate. Virtually no other conservative party had a chance to compete. Paulo Maluf's decision not to run on the Progressive and Reformist Party (PPRa) ticket dissipated that party's ticket.²⁴ He was the only one in that party whose name was known nationally. Even Sarney, an old member of the PDS, defected to the PFL, and later became a member of the PMDB. In the spring of 1994, Sarney sought the nomination of the PMDB, competing with Oreste Quercia, a controversial former governor of São Paulo. What Figure 2 shows us is the fluidity and weakness of party politics, while the only constant seems to be the PT's commitment to a leftist agenda. Party leaders switch ideology and affiliation if their elections chances are improved in the process. This fluidity often contributes to the emergence of populist messages in the political discourse of presidential candidates, if these messages can contribute to name recognition and voters' allegiance, a voter-candidate linkage that individual parties cannot provide.

The PSDB-PFL coalition by early summer, was keeping a free-lance neoliberal populist from emerging in the polls.²⁵ The Collor phenomenon became evident in the spring of 1989, which gave the candidate enough time

24 The PDS was renamed PPRa in 1993, and Maluf, the PDS candidate during the 1985 presidential elections, became its main leader.

25 Business leadership were enthusiastic about the coalition. After all, the PFL supported many of the neoliberal messages that Collor espoused in his 1989 campaign. See *O Globo*, March 28, 1994. It is important to point out here that while the PSDB-PFL coalition kept the Collor phenomenon from reoccurring, right-wing neopopulism did not vanish. Little-known Eneas Carneiro, from a politically insignificant party (Prona), rose in the last minute of the 1994 campaign to third place in the opinion polls with his call for a strong commitment to order and stability. A Vox Populi survey showed that his supporters were mostly middle class and missed the military dictatorship days when the country enjoyed relative social and political calm. See *Jornal do Brasil*, September, 18, 1994.

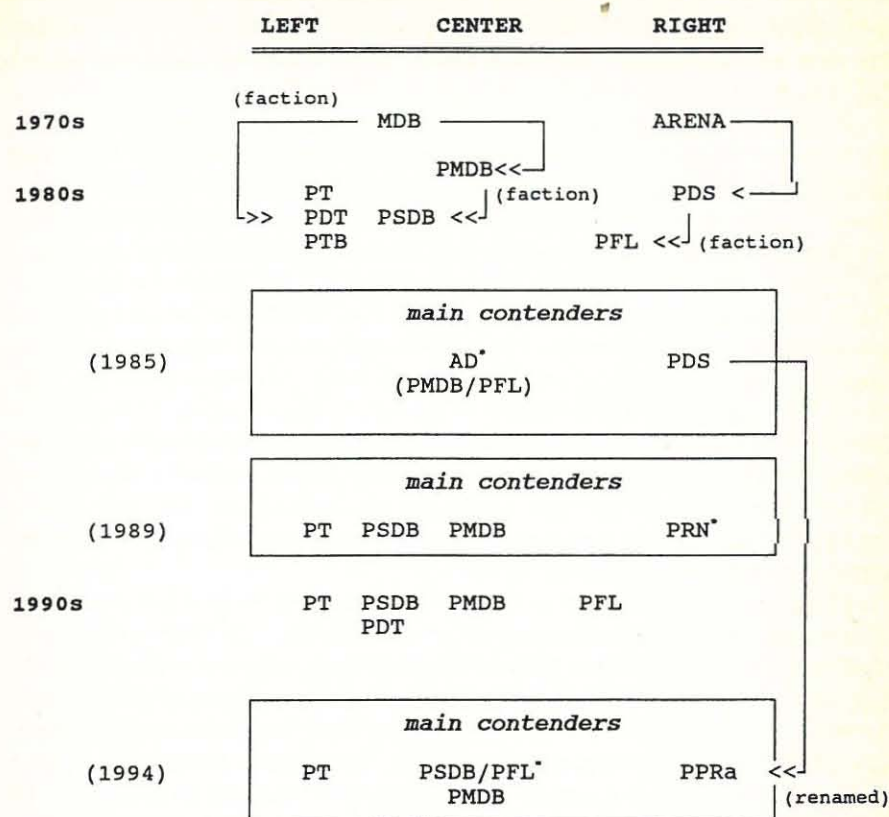


Figure 2: Ideology and Party Politics in Brazil

* = elections winner

to emerge in the summer, as a strong contender. But Cardoso had to be cautious in building this coalition with the right. If he solidified the PSDB-PFL coalition too early in the political campaign, he threatened to alienate the other parties that had offered to join the coalition, especially the PTB. Nevertheless, he was under considerable pressure from the PFL leadership, which wanted to select a vice-presidential candidate from the PFL ranks.²⁶

26 After announcing his candidacy on March 29, 1994, Cardoso came under considerable pressure by the media and political supporters to announce his running-mate. See *O*

A critical factor in the presidential campaign, as should be expected, became the candidates' choice of vice president. Both presidential candidates had to contend with close scrutiny of their running mates. Lula's first choice, Senador José Paulo Bisol, became embroiled in a controversy over his financial dealings in previous decades and charges of nepotism. Instead of quickly replacing the controversial and outspoken Bisol, Lula spent several weeks in July defending his running-mate. This effort, while demonstrating his loyalty to his running-mate, diverted precious energy from the campaign.

Bisol's replacement did not come until the end of July.²⁷ By that time, Cardoso was already reaping the benefits of the Real Plan, which had been implemented in the beginning of that month and was clearly having a positive impact on the economy. In addition, the inside fighting that led Bisol to step down only weakened the militancy of the PT. In Bisol's place, Lula chose a congressman, Aloizio Mercadante, who had been his economics adviser since 1989. As a respected economist, Mercadante became the central person attacking the Real Plan, while Lula concentrated on voicing the main themes of his "popular democracy" platform, agrarian reform, job creation, education, and social security.

Cardoso had to contend with a similar campaign crisis a few days after Lula's. When Cardoso's first running-mate, Senator Guilherme Palmeira (PFL from the Northeastern state of Alagoas), was accused of changing the federal budget for personal gain (including the overcharging of government contracts that would benefit business associates), Cardoso quickly moved to replace him. Palmeira's quick departure did not have the same negative impact that a drawn-out debate did within Lula's "Popular Brazil Front." In Palmeira's place, Cardoso chose another Northeastern from the PFL, Senator Marco Maciel. Like Sarney during the transition from military rule in 1985, Maciel enjoyed the support of the military leaders, as well as the conservative forces in the Northeast.²⁸

As Figure 3 shows, these events in July and August (both the changes in vice presidential candidates and the initial positive impact of the Real Plan) helped switch the dynamic of the campaign. Once Cardoso overtook Lula at the polls the focus of the presidential race turned to Cardoso's ability to win during the first round of elections on October 3. The continued success of the Real Plan further strengthened Cardoso's candidacy. Inflation, which had been 50 percent for June (the month before the introduction of the new currency) dropped to 1.51 percent by September.²⁹ During that same month,

Estado de S. Paulo, March 31, 1994. One of the highest ranking leaders within the PFL, the Bahia Governor Antonio Carlos Magalhães, lobbied Cardoso to pick the Northeastern governor's son, Federal Deputy Luis Eduardo Magalhães. See *Folha de S. Paulo*, April 3, 1994.

27 *O Estado de S. Paulo*, July 27, 1994.

28 "Sem medo do aliado". In: *Veja*, August 10, 1994, p. 30.

29 See *Folha de S. Paulo*, September 28, 1994.

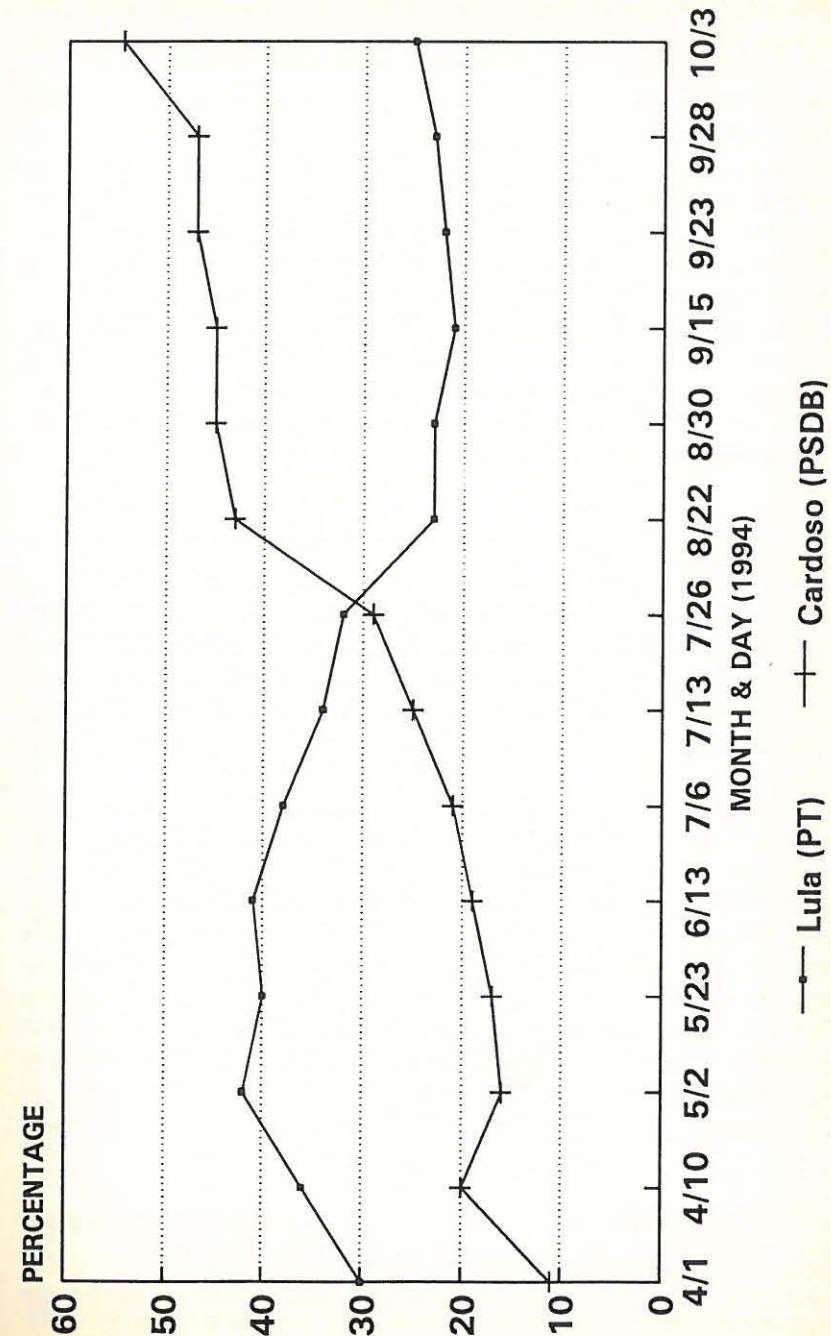


Figure 3: Public Support (1994 Presidential Campaign)

Source: Pesquisa Datafolha

a Datafolha survey showed that 77 percent of the respondents answered that the Real Plan was "good," while only 10 percent viewed the plan as "bad".³⁰

In the end, Cardoso won decisively during the first round with 53 percent of the votes, while Lula, once a front-runner in the early stages of the race, captured only 25 percent.³¹ Cardoso's victory will continue to be a source of controversial debate in scholarly circles because it points to a combination of anti-political appeal (technocracy found in the Real Plan), and coalition building among regional parties. It is difficult to say at this point whether the PSDB might have won without the PFL, but the weakening of Lula's populist appeal (in large part due to the success of the Real Plan in the early fall) contributed to the image of administrative competence that Cardoso was able to project. For a deeper understanding of these image building processes, we can now turn to an analysis of the anti-political images to which all of the candidates seemed to aspire.

Populist Models

The Brazilian experience in the last decade suggests two models of civilian-driven populism. On the ideological right, "neoliberalism" rose to prominence under Collor, due in large part to the disarray among conservative forces. On the ideological left, "popular democracy" has become a catchy term to signify the mobilization of underrepresented social forces for the construction of new class structures.

The "neoliberal" populist agenda is closely tied to the notion of individual empowerment. By reducing state power over the market, Collor promised the unleashing of the entrepreneurial spirit. The neoliberal language is anti-political in character because it divorces the state from market allocative decisions. It does so through reliance on a technocratic apparatus that guides the state through a series of decisions and procedures, which ensures the reemergence of a "free market." Liberating the market from the state involves expertise, and foreign institutions have often participated in providing it.³² The neoliberal populist model, therefore, involves some degree of technocracy, or the establishment of bureaucratic principles that can guide policy-making. President Cardoso, in order to retain PFL support during his tenure,

30 *Folha de S. Paulo*, September 18, 1994. The survey interviewed 21,074 people in 657 cities.

31 *The New York Times*, October 5, 1994.

32 In the Chilean case, for instance, the "Chicago Boys" – followers of Milton Freedman, were instrumental in economically dismantling the state following the military takeover in 1973.

may have to accept some of the neoliberal agenda, such as further privatization and reduction of some social programs.³³

The populist message Lula brought to the last two political campaigns also called for personal empowerment, but of a different type as proposed by neoliberalism. "Popular democracy" assumes grass-roots mobilization of groups that traditionally have been kept out of the political process. The central component of "popular democracy," as presented by Lula's "Frente Popular Brasil," was the development of class-consciousness, and that was the most controversial point when trying to reach the business community. The worker-candidate portrayed himself as a man of the people, capable of understanding the plight of the poor. But the worker-candidate expected his electorate to think in terms of class identity.

Mobilization is a double-edged sword though. While it increases personal satisfaction (inclusion in the political process), it also raises expectations and therefore, the level of demand on the very political institutions that promoted mobilization. Unable to process this increased demand, a government committed to "popular democracy" often finds itself sending federal troops to quell civil uprisings, while sounding the populist rhetoric of individual empowerment. Lula had the benefit of being untested. As a member of an opposition party, he could talk about "change," while the other candidates were restricted by their past associations with governing coalitions.

Cardoso's greatest challenge in the campaign was balancing between these two populist models while sounding politically creative and dynamic. Although he did not demonstrate the political charisma to Brizola or Lula, Cardoso was able to portray himself as committed to social justice and clean government. As members of his party rejected a coalition with the PFL, he became publicly irritated and criticized those who played politics while the country was sinking economically.³⁴

In the end, Cardoso borrowed from both models (neoliberal and popular democracy) as a way of reaching moderates from the left and right of the ideological spectrum. The populist experience of Bill Clinton in the United States during the 1992 presidential race served as a source of inspiration in this balancing act between neoliberalism and popular democracy. Cardoso used the same slogan during his campaign that Clinton had used: "He will put people first" (*As pessoas em primeiro lugar*). This choice of slogan probably reflected the influence of Cardoso's campaign consultant, James Carville, a chief campaign strategist for Clinton's campaign.³⁵

33 *O Estado de S. Paulo*, April 7, 1994.

34 He said he was tired of playing politics ("cansado de politiquice"). *Folha de S. Paulo*, April 4, 1994.

35 *Jornal do Brasil*, September 1, 1994.

While bringing people to the forefront in an appeal to "popular democracy," Cardoso also defended a neoliberal agenda. When he announced his government programs at a special ceremony in Brasília during the summer of 1994, he presented his economic program under the slogan "without fear of competing" (*sem medo de competir*), a takeoff of Lula's campaign slogan during the 1989 presidential campaign (without fear of being happy).³⁶ His economic agenda included the insertion of the Brazilian economy into the international market, particularly through free trade and increased foreign investment. He also did not discount the selling of Brazilian state-owned companies as advocated by the PFL.

Cardoso's populist style also had to cross cultural differences within the country itself. As a Southerner, used to the metropolitan lifestyle of large cities such as São Paulo and Rio de Janeiro, Cardoso had little campaign experience in the rural Northeast. Whenever Cardoso visited Northeastern states he attempted to bridge the cultural divide. On several occasions he was seen drinking coconut milk at an Aracaju beach or even riding a donkey, like a peasant, in the interior of Alagoas state. Both of these cases represented the symbolic expression of a man who belonged to the people. The awkwardness of these photo moments became classic caricatures of failed populism, which the press promptly exploited.³⁷ In other words, Cardoso won despite traditional populism rather than because of it.

Cross-Country Comparison

So many countries in Latin America have experienced open electoral campaigns in the last decade that one is hard pressed to limit, in a comparative study, the number of representative cases. In this last section, four cases are reviewed: Mexico, Peru, Chile, and Argentina. While other countries might suggest different aspects of democratization, political leaders in these four countries have faced similar issues as those in the Brazilian case. An analysis of their experiences reveals policy dilemmas that are clearly similar to those in the Brazilian democratic experience.

In these four countries, successful candidates have been able to combine both the neoliberal model and grass-roots mobilization coupled with the power of the state. Following the Institutional Revolutionary Party's dismal electoral performance in Mexico during the 1988 presidential campaign, the party leadership embraced both models as a way of rescuing the party from certain defeat in the 1994 elections.³⁸

³⁶ *Folha de S. Paulo*, July 7, 1994.

³⁷ *Jornal do Brasil*, May 28, 1994.

³⁸ See Cammack, Paul: "The 'Brazilianization' of Mexico?" In: *Government and Opposition*,

President Carlos Salinas' neoliberal message captured the support of a business elite, a group particularly interested in cementing trade relations with the United States and expanding free-market reforms.³⁹ The social cost of neoliberalism was addressed through a Solidarity Program, which provided huge state outlays to development projects in the rural sector. By empowering individuals to better their lives, the PRI has improved its chances of remaining in power. Salinas' plan was technocratic in nature. As a Harvard-educated economist, he followed economic reforms that ensured the confidence of international lending institutions. The success of these reforms also guaranteed the continuing inflow of foreign investment, which has become a critical component of Mexico's strong economic performance.

Cardoso followed similar policies, once he became a finance minister. Although he did not have the training in economics that Salinas did, Cardoso was able to convene a reputable team of economists, who inspired confidence among the political and business leadership. He also announced that once his stabilization plan was fully implemented, the government would establish a social program, including income redistribution.⁴⁰ As a presidential candidate, he kept in touch with that team, even after leaving the Finance Ministry, in order to make sure that his Real Plan was not abandoned. Although finance minister, he was able to present a "social agenda" through President Franco. The president's public rhetoric on social justice kept critics at bay, while Cardoso concentrated on building political support for an economic plan that included tight budgetary provisions.

The Peruvian case is very similar to the conditions that gave rise to the Collor phenomenon. Disarray among the political parties provided the propitious conditions for Alberto Fujimori's successful candidacy. In order to run, Fujimori, like Collor, built his own political party (Cambio 90) and embraced the neoliberal populist model. Once in office, he enjoyed a honeymoon period during which political parties cooperated with him in Congress. As the period came to an end, so did his prospects for successful governing. His dictatorial alternative in April of 1992, to close down Congress and fire the Supreme Court judges, revealed the dangers of a neoliberal agenda without wide political support at the party level. Following the "auto-golpe" (self-coup), Fujimori's approval rating soared.⁴¹ His leadership style was praised as

23, Summer 1988, pp. 304 – 320. See also Butler, Edgar W. and Jorge A. Bustamante (eds.): *Sucesion Presidencial: the 1988 Mexican Presidential Election*. Westview Press, Boulder, Colo. 1991; and Needler, Martin C.: *Mexican Politics: the Containment of Conflict*. Praeger, New York 1990.

³⁹ For a review of free-market reforms in Mexico, see "The Revolution Continues". In: *The Economist*, January 22, 1994, pp. 19 – 21.

⁴⁰ *Jornal do Brasil*, March 15, 1994.

⁴¹ McClintok, Cynthia: "Peru's Fujimori: A Caudillo Derails Democracy". In: *Current History*, March 1993, pp. 112 – 119.

necessary amid the political chaos that reigned in Peru at the time.⁴² Neither Lula nor Cardoso would have the support of the military to implement such a "Fujimorization" of Brazilian politics.

The Argentinean case probably comes closest to the possible direction of Brazilian politics. In order to remain competitive in the political process, the Peronistas had to remake themselves into a more centrist party, willing to embrace the neoliberal ideas of center-right parties.⁴³ Such was the road that the PSDB took in forming a coalition with the PFL. The Ménem phenomenon in Argentina can be contrasted with Collor's experience, because the former relied on an existing party base to formulate ideological positions. Collor however, had to start from scratch, like Peru's Fujimori. The success of Carlos Ménem's policies also guaranteed his political survival, even to the point of sponsoring a constitutional change to allow him to run for re-election. Had Collor's economic stabilization policies become successful, we might be discussing a similar situation in Brazil's 1994 presidential campaign.

But Cardoso is not Ménem. Although lacking personal charisma, the former is known for his intellectual qualities, sometimes even to the point of elitism, and that is why coalition building became a critical factor in making his candidacy a powerful one. Cardoso was confronted with the age-old dilemma in politics: either remain true to one's identity and lose, or become pragmatic and win through coalition building.

This dilemma was similar to that of Chilean politics in the early 1970s. The center-right Christian Democratic Party (PDC) was urged by some of its members to form coalitions with parties of the left-center, as a way of countering the rise of the far left. Unwilling to make these coalitions, a splinter group formed the United Movement of Popular Action (MAPU) and joined forces with Popular Unity (UP) during the 1970 presidential campaign. As a result, the PDC candidate finished a distant third. Salvador Allende, the UP candidate, went on to become president with 36 percent of the popular vote.⁴⁴

The PT can also learn from Allende's experience in Chile. The building of a "popular democracy" can be exhilarating, but if society is divided on fundamental policy issues, even a populist president may be unable to contain the social conflict that ensues. Processing rising demands can be the death knell of a social experiment. In Chile, the PDC's inflexible ideological position changed by the 1980s as it led a movement to force General Augusto Pinochet to relinquish power. The PDC, for instance, was instrumental in forming the Democratic Alliance in 1983, and led a coalition of

42 In fact, Itamar Franco has faced a similar situation in dealing with his fluid support in Congress and a political system plagued with charges of corruption.

43 Epstein, Edward C. (ed.): *The New Argentine Democracy: the Search for a Successful Formula*. Praeger, Westport, Conn. 1992.

44 McDonald, Ronald H. and J. Mark Ruhl: *Party Politics and Elections in Latin America*. Westview Press, Boulder, Colo. 1989, p. 195.

parties to power following the 1989 election, which restored civilian rule in Chile.⁴⁵

The first civilian president, Patricio Aylwin Azocar, could hardly be called charismatic. Nevertheless, he represented the consensus among centrist parties. He was committed to continuing the neoliberal policies of the military regime, while fostering social programs within budgetary limits. Cardoso will face similar choices during his presidency. Whether such a centrist leadership style is what Brazil needs at this point should be a source of further debate. Some might argue that a balancing act between the two populist models (neoliberalism and popular democracy) might foster further political division and the collapse of the party system and consequently democratic consolidation.

Concluding Remarks

In what ways has neopopulism returned to Brazilian politics since 1985? The comparison between the 1989 and the 1994 presidential races show two neopopulist models competing for supremacy in the political arena. On the one hand, the left has attempted to articulate an antipolitical message that stresses social mobilization as the true expression of people's participation in governmental decisions. On the other hand, the right has presented neoliberalism as the true voice of the people long oppressed by an overbearing state.

Lula's defeat in both races points to the continuing weakness of the left to secure broad support for popular democracy. While neoliberalism gained a champion in Collor during the 1989 race, he only received 28 percent of the vote during the first round. His majority win in the subsequent run-off can be attributed as much to an anti-Lula vote as to the conviction that neoliberalism was what Brazil needed in the 1990s.

In mounting his campaign strategy for the 1994 race, Cardoso had to face a similar choice between these two antipolitical models. Instead of fully embracing a single one, his political instinct moved him in the direction of a coalition that built on the strengths of each. This strategy created an interesting paradox in the use of antipolitics in Brazilian politics. In order to build an antipolitical message (solving the country's socioeconomic problems outside traditional politics), Cardoso used a common political subterfuge (regional alliance; in this case, between PSDB and the PFL). The end result was a

45 For good reviews of this transition process, see McInerney, Audrey: *The Rebirth of Chilean Democracy*. Council on Foreign Relations Press, New York 1992; Drake, Paul W. and Ivan Jaksic (eds.): *The Struggle for Democracy in Chile, 1982 - 1990*. University of Nebraska Press, Lincoln 1991.

candidate with very little ideological identity (borrowing from a broad spectrum of ideas) but with a solid political base in the most critical regions (the industrial Southeast and the rural Northeast). This broad base of support kept a neoliberal populist from emerging (as in the 1989 race). Instead, Cardoso captured a majority vote and won the first round.

The Brazilian case seems to suggest the continuing incongruity between voters' frustration over traditional politics and their desire for a candidate who can build consensus and implement real reforms. While they demand political realism (the implementation of an economic recovery plan without unrealistic expectations, such as those presented by Collor under his neoliberal model), they crave a leadership style that can bypass the existing political system (such as Collor's strategy once in power). Cardoso's victory can be largely credited to his ability to balance these two forces.

Does this case mean therefore that antipolitics can coexist with traditional forms of politics? At the campaign level, the answer seems to be affirmative. But the very success of this combination during the election phase may spell a nightmare once the governing phase begins. Reconciling these two forces on top of balancing conflicting neopopulist models (popular democracy and neoliberalism) may very well turn out to be the most memorable legacy of the Cardoso presidency.

Abstracts

Seit das Militär sich 1985 in die Kasernen zurückgezogen hat, hat Brasilien sich bemüht sein politisches System nach demokratischen Richtlinien wieder aufzubauen. Der Weg zur Demokratie war jedoch bestenfalls steinig. Die ersten direkten Präsidentschaftswahlen 1989, zeigten die Komplexität des Übergangs von einem autoritären Regime zu einem System mit schwacher Führung und einem zersplitterten Parteiensystem auf. Dieser Artikel vergleicht die Wahlen 1989 mit dem politischen Umfeld der Präsidentschaftswahl 1994. Daß die Wähler 1994 bereits die Möglichkeit eines Vergleichs mit den vorangegangenen Wahlen von 1989 hatten, stellte eine besondere Herausforderung für die Neopopulisten dar. Die Wählerschaft verlangte politischen Realismus. Die sich verschlechternde ökonomische Situation gemeinsam mit den zersplitterten Parteiensystem begünstigte jedoch die politischen Ambitionen der Neopopulisten. Dieser Artikel konzentriert sich auf die politischen Strategien zweier Kandidaten – Luis Inácio „Lula“ da Silva und Fernando Henrique Cardoso. Ihre Wahlkampagnen werden in bezug auf zwei neopopulistische Modelle – Neoliberalismus und Populärdemokratie – analysiert. Schließlich gibt der Artikel einen länderübergreifenden Vergleich

(Mexiko, Argentinien, Chile und Peru), der Einblick gibt in den Populismus Lateinamerikas.

Ever since the military returned to the barracks in 1985, Brazil has struggled to rebuild its political system along democratic lines. The path toward democracy however, has been rocky at best. The first direct presidential elections in 1989 demonstrated the complexity of making the transition from authoritarian rule in an environment with weak leadership and a fragmented political party system. This article compares the 1989 elections to the political environment of the 1994 presidential race. Unlike the campaign experience in 1989, the electorate in 1994 had the previous election as a basis for comparison. This vantage point made the work of the neopopulists all the more challenging. The electorate demanded political realism. However, a deteriorating economic situation, coupled with a fragmented political party system, provided fuel for the political ambitions of neopopulists. This article focused on the political strategies of two candidates: Luis Inácio "Lula" da Silva and Fernando Henrique Cardoso. Their campaigns are analyzed in relation to two neopopulist models: neoliberalism and popular democracy. In a concluding section, the article provides a cross-country comparison (Mexico, Argentina, Chile, and Peru) from which insights can be drawn about populism in Latin America.

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