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Lula's Brazil and Beyond: An Introduction

Françoise Montambeault and Graciela Ducatenzeiler

After two successive presidential terms, the leader of the Partido dos Trabalhadores (PT) – the Workers' Party – Luis Inacio Lula da Silva, left office in 2011.¹ After his first electoral victory in 2002, many observers of the Brazilian political arena expected a radical shift in the country's public policies towards the left. These expectations were rapidly toned down by the moderate nature of the policies and changes implemented under Lula's first government. Notwithstanding, Lula has succeeded in becoming one of the most popular presidents in Brazilian history and, by the end of his second term, about 90 percent of the population approved of his presidency. He attracted a large consensus among leftist forces in favor of market policies, which were accompanied by an important rise in the minimum wage and pension, as well as the expansion of social policies like his flagship program *Bolsa Família*. Some of his opponents grew to trust him as he tightened fiscal policy and repaid external debt. His government promoted growth through the adoption of economic measures that supported productive investments, including investor-friendly policies and partnerships between the public and private sectors. At the end of his second term, poverty and inequality had been significantly reduced, which had effects not only on wealth distribution, but also on growth by increasing domestic demand. Lula's Brazil also gained international recognition and approbation, becoming an emerging international actor and without a doubt a leader in Latin America.

In the 2010 election, Dilma Rousseff was elected as the first female president in the history of Brazil. She had been Lula's previous *chefe de gabinete*, and benefited from his support throughout the presidential campaign. Among the most important challenges Dilma faced during her first term in office was to live up to the expectations raised by Lula while advancing her own agenda in a completely different socioeconomic context. As we reflect on Lula's successor taking office for a second term in 2014, facing both new and old challenges, a whole new set of questions

1 This special issue is the result of discussions and exchanges that happened during the International Conference *Le Brésil de Lula*, held at the Université de Montréal on 11–12 October 2012. The authors would like to thank the conference participants and discussants, who all contributed to the richness of the discussions on this occasion. We would also like to thank the authors of this special issue, as well as the editors of JPLA.

about Lula's presidency and his legacy emerges. What is the actual legacy of Lula's two terms in office? To what extent did it represent a break from previous models of political, social and economic development? What events or feats explain the successes of Lula's administration? Are they attributable to Lula or to the PT, or are they best understood in relation to democratization and the institutionalization of coalition-led multiparty presidentialism? With the history of the PT and its ascension as a key player in the political system being closely linked to the history of Lula, how do sources of electoral support affect the challenges ahead for Dilma, for the PT, and for Brazil more generally?

This special issue of the *Journal of Politics in Latin America*, 'Lula's Brazil and Beyond', addresses these important questions, looking back at the crucial eight years of Lula's presidency, at his legacy, and at how they play out in shaping Dilma's and the PT's current challenges in government. It brings together scholars from different perspectives who examine the legacies of Lula and the PT, looking at the continuities and ruptures on a variety of subjects, including the incorporation and participation of the popular sector and of civil society more generally, and the institutionalization of democratic practices versus the persistence of personalistic politics. While the contributors to this special issue developed their arguments from diverse – sometimes complementary, sometimes even opposing – perspectives, one trend emerges across all the papers in this collection. They all emphasize the notion that, while Lula's rise to power opened an era of hope for change, notwithstanding important ruptures associated with the *modo petista de governar* continually shaped Lula's policies and are central to understanding the challenges of government faced by and still ahead for Dilma, and for the wider Brazilian left. With successes and hopes came higher social expectations, and this may well present an obstacle for the PT as it tries to garner support in the longer run.

The first three authors deal with continuities and ruptures in *public policies* during Lula's two terms of office, and their legacy. These papers look at the main areas of change and renewal Lula's government was expected to bring about through his political agenda. The areas covered are: social inclusion (Wendy Hunter); participatory governance (Evelina Dagnino and Claudia Teixeira); and the struggle against corruption (Manuel Balán).

The last two papers then look at this legacy from a different angle, from the perspective of *electoral success*. The areas covered are: the institutionalization of the PT (Camille Goirand); and the proximity of *lulismo* and *petismo* as the sources of electoral support (David Samuels and Cesar

Zucco). These papers represent two opposing angles by which we can start to unravel answers to complex questions, such as: 'How will the party be able to thrive and retain popular support over time?' and 'Can the electoral successes and challenges of the left be understood beyond Lula?'

As the papers in this collection emphasize, even if the PT is well institutionalized and has a basis of militants and supporters of its own, for *petismo* to transcend the image of Lula as the strong president and to thrive on its own, its leaders have to stay closer to the party's foundational principles, with which Lula was deeply and intrinsically associated, but which he has only partially adhered to in reality.

Understanding Lula's Legacy: A *Modo Petista de Governar*?

In democratic Brazil, the question of institutions drew most of the attention of social scientists in various ways. As Power argues,

appraisals of Brazilian political institutions have evolved from a diagnosis of dysfunctionality in the first decade of democracy, to a revisionist trumpeting of 'efficient secrets' in the second decade (Power 2010: 28).

In other words, analysts of Brazilian politics moved on from a pessimistic diagnosis of the capacity of governments to overcome the institutional constraints imposed by strong presidentialism and fragmented legislatures, to more optimistic diagnoses emphasizing the governance equilibrium created by the Brazilian institutional design. For others, coalitional presidentialism was the source of institutional constraints and provided equilibrium (Power 2010). There is now substantial consensus in Latin American literature that neither strong presidents nor coalition governments necessarily affect governability. In other words, institutional design is not necessarily responsible for the success or failure of government initiatives. Similar institutions can lead to different policy results.

As discussed by Melo and Pereira (2013) the questions are therefore: 'How do presidents keep multiparty coalitions stable in Brazil?', 'What are the trade-offs accepted by the president in the name of governability?', and 'What are the consequences of these compromises on policy outcomes, and on the political project agenda of the president and his party?'. The first three papers in the collection look at these questions, by assessing Lula's legacy in three policy areas crucial to the PT's specific partisan identity and original project principles, the so-called

modo petista de governar. These areas are: social policy, citizen participation, and anti-corruption measures.

The main objective of Lula's administration when he came to office was probably the fight against poverty and inequality. Being a central part of the PT's program, this policy issue and Lula's personal commitment to it, has contributed to his popularity. A combination of welfare policies has been instrumental in fulfilling this goal. The famous conditional cash transfer (CCT) program, *Bolsa Família*, is probably the most important welfare policy, and is the main focus of Wendy Hunter's contribution. By comparing the social policies during the very different eras of Vargas and Lula, her article analyses the politics of incorporation of the popular sector through social policies. Emphasizing who benefits from social policies and how they do so, her comparison reveals that in Brazil, incorporation of the popular sectors took place in both eras, even though this occurred through different policy mechanisms directed toward distinct sectors of the population.

Wendy Hunter looks at long-term social inclusion, examining and comparing two welfare policy approaches: Vargas' approach during Estado Novo on the one hand, and Lula's approach, originating from the post-1988 period, and implemented since 2003. While Hunter's analysis highlights elements of continuity between the two periods, her comparison also reveals important differences under the two regimes in the nature of inclusion (the coverage and redistribution mechanism) regarding the beneficiaries of the welfare programs. Under Vargas, social policy was corporatist-oriented, covering the formal sector, excluding the rural sectors and most of those who lived outside the urban areas. Benefits were generally given by way of patronage networks. In contrast, Lula's citizenship regime was characterized by the inclusion of the poor who were previously excluded by the corporatist model. Through social policies targeting individuals and their families rather than groups and corporations, there were different beneficiaries, and the benefits were distributed through bureaucratic provisioning.

Despite these differences, Hunter notes important continuities between the two periods. She argues that there are similarities in the ways those policies were instrumentalized by the presidents, affecting the nature of the relationship between the state and society. In both cases, she finds that welfare policies are not the outcome of initiatives taken by those sectors that benefit from the adopted policies. In both cases, civil society remains a marginal part of the equation. Institutions do not seem to matter either in the structuration or implementation of the policies. In fact, social inclusion through welfare policies is orchestrated from above

by the state and, even more so, by a generous leader, a strong president, “with Vargas seen as the benevolent father in the first instance and Lula as the generous provider in the second” (Hunter, this issue). Thus, her analysis shows that, if specific poverty reduction mechanisms and social inclusion processes can vary across different institutional models, the way they are articulated by and attributed to strong presidents remains constant over time in Brazil. Although the reduction of poverty and inequality has been on the PT agenda since its origins, the incorporation model sustained by the president’s social policy legacy, and not the party’s, contributed to personifying Lula as the strong presidential figure.

At the core of the PT political agenda has also been the idea that civil society should take an active and participatory role in public policy making and in the struggle towards social inclusion in Brazil’s highly unequal society. From the time of the PT’s origins in social movements and civil society groups, its agenda has always demanded more radical and participatory forms of democracy. As they gained enough popular support to be elected at the municipal level, several local PT leaders pushed forward the participatory agenda in their own communities during the 1990s with initiatives such as participatory budgeting. But, did that participatory principle become federal policy when Lula took the presidential office in 2003? In their article, Evelina Dagnino and Ana Claudia Teixeira examine Lula’s legacy with respect to the so-called ‘Brazilian architecture of participation’, and to his actual contribution to participatory innovation in policy-making processes at the federal level. They argue that, although civil society participation is a policy area where some important advances have been made during Lula’s two terms in office, it has been characterized by tensions, fragmentation, ruptures and continuities with the past. At the federal level, the numbers of national policy conferences have increased, and the sectors of public policy involved in dialogue and discussion in these instances have diversified. Lula has also created new institutions for participation, and has included new thematic areas in the participatory architecture. Thus, there is no doubt that participation has increased in quantitative terms. Dagnino and Teixeira, however, express some serious doubts regarding the quality of such participation. They argue that participation under Lula did not systematically mean ‘power sharing’ with civil society actors, and point out that as president he preferred to use terms such as ‘dialogue’, ‘listening’ or ‘working together’.

As their analysis reveals, the question of how far Lula has implemented the PT’s participatory principle is not a simple one to answer. Lula was a president who was obliged to govern a fragmented coalition,

so the question reflects the tense and sometimes even contradictory relationship he had with the party's founding principles. It also highlights two issues: inherent disputes within the PT itself with regard to the idea of participation and how it should be articulated; and the ambiguity of the novel relationship with civil society organizations in the context of the ascension to power of the party with which they have had strong historical links.

A third element was a central part of the PT's and Lula's original political project: anticorruption and transparency policies. However, Manuel Balán's article shows that Lula and his government did not do much better than his predecessor in this regard, and that corruption has persisted in Brazilian politics. His take on the Mensalão corruption scandal in Brazil suggests that, in fact, this policy goal was somewhat sacrificed by the PT-led coalition in government in the name of the fight against poverty. The Mensalão (big monthly payment) scandal, involved the payment of millions of dollars to politicians in order to buy support for the coalition. Under the institutional constraints of coalition presidentialism, Lula's government thus faced an important trade-off between implementing his social policy and providing good governance.

Mensalão was a manifestation of Lula's weak legacy in the area of corruption and transparency. Balán's contribution looks at impacts of the scandal on electoral dynamics, on the president himself, on his successor, and on the party. He argues that, even if political coalitions were partly responsible for the corruption problems that characterized the governments of Lula and, then, Dilma, the scandals did not affect their popularity and presidential strength. On the contrary, the PT, as a political party, and the rest of the political system, took the blame for the corruption. Lula was rewarded for implementing successful social policies that the public perceived as being the result of his own decision (see Hunter on this issue). Even though the corruption scandals originated from a need for Lula to assemble a wide coalition in Congress around his social policy program, they were mostly dissociated from him, and associated instead with the party. As for Dilma, the zero tolerance for corruption campaign she launched seems to be paying off. Balán observes that she gets all the credit for anticorruption and transparency measures being implemented by her government.

Balán's article, therefore, highlights that the PT and Lula did not escape corruption scandals, since corruption persists in Brazilian politics. The 2014 election, which provided the theater for corruption allegations against high-profile PT leaders in the Petrobras scandal, is only one more manifestation of this. However, Balán's contribution also shows that

even if corruption partly originates from the fact that governability issues in a coalition-based system demand the president to engage in strategies of accommodation with political elites, there is disagreement on the way corruption has been perceived as remote from the president. As Balán notes, there was a trade-off: corruption practices led to setbacks in the anticorruption and transparency agenda, but also allowed Lula to get his very popular anti-poverty policies approved by Congress. Balán concludes that, although corruption did not affect the approval ratings of Lula and Dilma and prevent them from being elected in the short term, the effect may be more important in the longer run since corruption scandals have contributed little to the building of the Brazilian democratic political order.

Understanding the Challenges Ahead: On the Sources of PT's Electoral Success

The first three papers have demonstrated that strong presidentialism has enabled the stability of the multiparty coalition-based political system, which has maintained continuity in the model of governance in Brazil; but it has also elevated the presidential figure to be the main player in governance. As a consequence, many of the recent economic, political and social successes in Brazil have been attributed to Lula himself, the strong president. The results of the 2006 election support that view. To what extent can the recent perceived successes in Brazil be also attributed to him? How does this perception affect the challenges that lie ahead for his successor, Dilma Rousseff? More generally, in the context of strong presidentialism in a fragmented multiparty system, is the PT likely to thrive as a key player in Brazilian electoral politics once its leaders, Dilma and Lula, have departed? Understanding the challenges faced by Dilma during her first term, and for the PT more broadly, demands that we better understand the origins of its electoral support. The two final papers of the collection undertake to address this issue from two different angles.

The article by Camille Goirand refers back to the ascension of the PT as a key player in the Brazilian political electoral system. A conclusion of Goirand's analysis is that the figure of Lula was not the only driving force behind his party's local electoral successes in 2002 and 2006; it was rather the party itself that underwent an important change from within. This was brought about by way of its institutionalization, which relates to *both* its inclusion into democratic institutions it originally opposed and the parallel re-articulation of its militants' relationships with the party.

In 2002, as a result of its well-documented transformation process (Hunter 2010), the party succeeded in broadening its local electoral support in the north and northeast, regions where it had been traditionally weak (Hunter 2010). Originally formed by an amalgamation of opponents of the authoritarian regime, social activists, union members and contentious social movements (Keck 1992), the party has gradually transformed from within to become a moderate party in government; a party which large segments of the population identify with and participate in. By doing so, the PT did not compromise its original principles, however, and it should not be characterized as an example of the failure of social movements, but rather as the culmination of a complex process of change with multiple facets. This institutionalization has taken three forms: firstly, the originally radical discourse has moderated; secondly, the party leaders have professionalized, and their relationship to social movements has changed; and thirdly, as a new form of participation developed, a distance between the party elite and the rank-and-file emerged, which led to a change in party identity. Looking at the case of Recife, a major capital of the northeast in the state of Pernambuco, Goirand shows that, while the party integrated democratic institutions, the strategies and behavior of its rank-and-file members and leaders towards these objectives changed during this process, going from a logic of contention to one of public action and electoral politics. Such a change requires not just an adaptation of the party to the realities of electoral politics, but rather a deep transformation of its activists' goals and of their definition of social engagement, their own political identification. Thus, today's *petista* political identification reflects the interactions between the institutionalization of the PT and the changes in the way its main leaders and partisans think about the party and their role within Brazilian society. This might be closer to the logic of public action, but is not necessarily antithetical to the core principles of the original logic of contention by way of social inclusion and participation.

David Samuel and Cesar Zucco's paper addresses the question of the sources of electoral successes from a different, yet complementary, angle. It looks at the distinctions and intersections between two forms of potentially distinct political identifications among the Brazilian electorate: *petismo* and *lulismo*. Their analysis deconstructs the common belief that, since Lula historically reached a wider and more varied support base than the PT (as seen in the 2006 election), the rise and success of the party should for the most part be attributed to him. Following this common argument, his charisma, personal history, rhetorical style and government

policies lie at the heart of *lulismo*, or at the source of Lula's popularity rooted in voters' personalistic attachment to the leader.

What, therefore, is the future for the PT without Lula? For Samuels and Zucco, if *lulismo* is *petismo*, the latter may survive as a political identity and thrive as one of the main political parties in Brazil in the aftermath of Lula. *Lulismo* as a political identity is a weak phenomenon that mainly reflects voters' retrospective evaluation of Lula's government. *Lulismo* is not grounded in the rhetorical appeal of a populist leader, as *chavismo* may be in Venezuela, for example. Unlike Hugo Chávez, the Brazilian political system does not revolve around Lula, and he does not retain the same depth of influence on the party system that Vargas and Perón did. His rhetorical style may be popular, but he does not possess the essential attributes of a populist discourse, and is better categorized as a 'pluralist' or a left-liberal "using the machinery of the state to bring about greater political and socioeconomic equality, but also opening the state to greater participation from civil society, through gradual reform" (Samuels and Zucco, this issue). The PT has never been a one-man or a populist party. On the contrary, the party's rise is best explained by its institutionalization (see also Goirand, this issue), its organizational capacity and its political project. *Petismo* is not only fairly widespread around the country, but it also qualifies as a *real* political identification. If, by attracting the vote of the poor, Lula has gathered a different and wider support base than the PT's traditional constituency, it does not mean that *lulismo* has become a stronger identity among those voters who rewarded Lula for his policy performance. What is more, examining the common roots of both concepts reveals that *lulismo* may actually be an embryonic form of *petismo*, as those elements of the president's performance that have been acclaimed by the poor – greater participation and the reduction of inequality – are the core principles of *petismo*, of the *modo petista de governar*.

As the party attempts to transpose *lulismo* into *petismo*, however, the challenges are numerous, as Samuels and Zucco emphasize. They suggest that, if the PT without Lula is to succeed in the long run, then it will have to remain close to its original political project of social inclusion and participation, which is the conceptual foundation of both *lulismo* and *petismo*. Nonetheless, the future of the PT as a political party and a driving force of the Brazilian electoral system might be brighter than expected, even as Lula's presence in the political arena fades away.

Conclusion

In contrast to what many early observers of Brazilian politics might have argued just a few years ago, coalition-based presidentialism in the highly fragmented multiparty system that characterized the country after its democratization has proven to be efficient and has brought about policy outcomes; this is because it also relies on strong presidents (Melo and Pereira 2013). This may well be the case, but the articles in this collection also suggest that such a governance model, based on compromises and trade-offs, may also have unforeseen effects on partisan and electoral politics. On the one hand, Lula may not have departed from the PT's original principles of participation and social inclusion, either in theory or in his rhetoric, but the papers show that the transformations actually achieved in these two domains have been less far-reaching than expected. On the other hand, the strong presidential figure central to making the coalition system work (Melo and Pereira 2013), elevates the personality of the president at the expense of the party when it comes to electoral politics. Lula has probably been rewarded electorally for the good things he achieved during his two terms in office (Hunter and Power 2007; Samuels and Zucco, this issue), and Dilma may have benefited from this support since she has for the most part built on Lula's legacy, even in a much more difficult economic context.

If it is true that *petismo* is a stronger party identification than *lulismo* is, then the challenge for Dilma was to become that strong president herself in order to carry the PT political project further on. As the 2014 electoral campaign concluded on 26 October with her election as president for a second term, it seems that Dilma has generally succeeded in doing so. In March 2013, just before the June mass protests all around the country, Dilma was still extremely popular with approval ratings approaching 80 percent.² Her approval ratings did go down after the first days of the protests, but by the end of 2013, they were gradually going up, as was her position in the opinion polls for the 2014 election. Some may interpret the protests as a symbol of a general malaise, or a dissatisfaction expressed by Brazilians toward the ambiguity of the policies and the 'left-neoliberal' incorporation model developed by the PT (Saad-Filho 2013), and by its presidential figures. More than a criticism of the left-neoliberal model itself, this suggests that the protests of 2013 could be interpreted as a discrepancy between the hopes and the actual possibilities for change, as a symptom of the constraints imposed by the na-

2 *Datafolha*, Sao Paulo, November 2013.

ture and functioning of the Brazilian democratic model, and of its institutional continuities beyond democratization and alternation in power.

This past October, however, Dilma, the PT candidate, has been democratically re-elected by a short majority with 51.6 percent of the vote; thus making this election exceptional by delivering the fourth consecutive presidential term in office for the same party in Brazil. After winning by such a short margin against her PSDB opponent, Aécio Neves, it looks like Lula's political, social and economic legacy may have vanished and even become a double-edged sword for Dilma and the PT. This has become especially evident as the socioeconomic context changes, and signs of governance fatigue start to show up after 12 years of the same party in power. The rising middle class, the so-called 'C class' does seem to have benefited from Lula's policies in the context of economic growth, but they now also have new expectations, both as democratic citizens and as economic actors. Social movements and traditional PT-allies are asking for a political reform of the institutions, promised by Dilma after the June 2013 protests, but still not delivered. And corruption scandals revealed during the campaign may be coming to haunt this administration. In the face of such changing realities, Dilma does not have much room to maneuver, and new challenges certainly lay ahead for the PT.

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Graciela Ducatenzeiler is a honorary professor of political science at the Université de Montréal. Her research focuses on unions and political regimes in Latin America. She has published in American and European presses, and her articles appear in several journals, including *Amérique Latine*, *Canadian Journal of Political Science*, *Desarrollo Económico*, *Études internationales*, *Novos Estudos CEBRAP*, *Revista Mexicana de Ciencia Política*, and the *Revue internationale de politique comparée*.

E-mail: <graciela.ducatenzeiler@umontreal.ca>

Françoise Montambeault is an assistant professor of political science at the Université de Montréal. Her research focuses on the dynamics and impacts of citizen participation and deliberation in democratic institutions in Latin America, especially in Mexico and Brazil. Her articles have been published in the *Journal of Civil Society*, *Latin American Politics and Society*, *Politiques et Société*, *Participations*, and the *Journal of Politics in Latin America*. Her book *The Politics of Participatory Democracy in Latin America: Institutions, Actors and Interactions* is forthcoming at Stanford University Press in 2015.

E-mail: <francoise.montambeault@umontreal.ca>

O Brasil de Lula, e além: uma introdução

Keywords: Brazil, Worker’s Party, activist careers, institutionalization, corruption

Palavras chaves: Brasil, Partido dos Trabalhadores, carreiras militantes, institucionalização, corrupção