

The Politics of Giving in Brazil

The Rise and Demise of Collor (1990-1992)

by
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Fernando Collor de Mello was the first Brazilian president to be freely elected in 29 years. He earned twice as many votes as the total number of voters in the previous presidential election, in 1960. His term was expected to become a landmark in Brazilian history, and it did, although not in the way desired. This paper discusses the politics of Collor's election, his administration, and the movement that resulted in his demise. The core argument is that Collor's modernity, contrary to its meaning at the rhetorical level, involved a great deal of political expediency in the form of clientelistic maneuverings perhaps never before seen in Brazilian history. In addition to the more traditional sources of information (e.g., government documentation, journalistic material, specialized reports, etc.), I use interviews I conducted with members of Congress and the administration in March-April 1992 and the first half of 1995. Some of the more descriptive passages serve to build a supporting framework for the analysis, presenting in a systematic way the events and players that gave the period its shape. I begin with a discussion of the 1989 presidential election and go on to describe how, once empowered, the Collor administration found it difficult to deal with a rather conservative Congress and with the democratic procedures established in the 1988 Constitution. After an analysis of its strategies against the background of its lack of legislative support, I examine the movement resulting in Collor's fall from power. Finally, recalling Marx's view of individuals as "bearers of particular class-relations and interests" ([1867] 1990: 92), I suggest where the analysis of Collor's rise and demise should find its theoretical milieu.

THE PRESIDENTIAL ELECTION

Collor's presidential candidacy defied all the experts' predictions. It seemed most unlikely, from the start, that a candidate who was relatively

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LATIN AMERICAN PERSPECTIVES, Issue 122, Vol. 29 No. 1, January 2002 115-152
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unknown to the majority of Brazilian voters would become president, defeating stronger southern-based interests. Collor came from one of the poorest and in fact the second-smallest state in Brazil's poorest region, the Northeast. He was linked to a recently created party, the Partido da Renovação Nacional (National Renovation party—PRN), of which no voter had ever heard and that lacked structure. Collor had been appointed in 1978, when he was only 29, by the military mayor of Maceió, the state capital. He was then a member of the military government's party, Aliança da Reconstrução Nacional (National Reconstruction Alliance—ARENA). In 1982 he was elected federal deputy by the Partido Democrático Social (Social Democratic party—PDS) and was one of those who, in 1985, backed the defeated military presidential candidate, Paulo Salin Maluf, in the electoral college. He later found refuge in the loosely organized Partido do Movimento Democrático Brasileiro (Party of the Brazilian Democratic Movement—PMDB) for his election as governor of Alagoas in 1986. His political ascendancy had been mainly in executive positions.

Before running for president himself, Collor tried to negotiate with prospective presidential candidates, for instance, with the Partido da Social Democracia Brasileira (Party of Brazilian Social Democracy—PSDB) of Mário Covas, for vice-presidential running mate. At first the idea was to project Collor's name at the national level. However, the most likely candidates had other plans, and he and his advisers decided that the best way for him to project his name would be to run a strong campaign as a presidential candidate himself, in spite of his slim chance of being elected. He was at first a marginal candidate, an outsider among the 20 or so other candidates.

Returning from a trip abroad in early 1989, he declared to journalists at the airport that President José Sarney "had picked the pocket of history" (Krieger et al., 1992: 42, my translation). The Sarney government was chosen as the first target because the electoral race had hardly started. The aim was to gain as much space in the media as possible even if, in order to achieve it, heavy artillery had to be used. After all, Collor had little to lose.

At first, Collor's rise in the opinion polls was seen as a "soap bubble," an unsustainable situation that would come to an end as soon as the major candidates entered the race. The Collor phenomenon was at that time seen as a manifestation of dissatisfaction with other politicians—a silent protest—rather than a response to his ability as a politician or his popular appeal. But soon he had transformed himself into a media curiosity, and while the opposition treated him carelessly he took his campaign very seriously. His campaign headquarters employed all sorts of advisers and analysts to monitor his and his opponents' campaign progress. For instance, the title "caçador de marajás" ("maharajah" hunter) later applied to him resulted from market

research specifically undertaken for Collor's presidential campaign (Mendes, 1991). He was one of the few candidates to present an economic proposal (however incomplete, general, and late in the campaign) of any reformative nature, and to prepare it he employed the services of Zélia Cardoso de Mello and her team, to whom, while he was still governor, Alagoas State made payments in the neighborhood of US\$500,000 (Cockburn, 1989). She later became his first finance minister. Collor also benefited from the high degree of mobility made possible by the many corporate jets belonging to his friends that were placed at his and his campaign team's disposal. In so large a country this was important in intensifying the campaign.

By April 1989 he was already making a strong showing in the opinion polls. Six months before election day he retired from state government to run officially for the presidency, as was required by election law. Notably, he started his campaign with a huge financial contribution from sugar and alcohol producers. As he gained points in the polls, displacing other conservative candidates, millions of dollars poured into his campaign fund, as is the norm in Brazilian election politics. TV and radio operators, contractors, financiers, and other groups, some the objects of attack of Collor's populist parlance, made campaign contributions.

Paulo César Cavalcante Farias—known as PC—was Collor's campaign treasurer. It is believed that he collected funds in three stages, one following each of the two election rounds—the first two-round election to take place under the 1988 Constitution—and one so-called third-round operation. During this stage he argued that campaign costs had been higher than the amount they had collected and there was a need for a top-up. Once Collor had been elected, no one refused to give the president's campaign treasurer more money, for this could have led to retribution. It is believed that much more than the election's actual costs was collected, allegedly as a reserve for the next year's state elections.¹

Collor's message was designed to respond to recent changes in the profile of the electorate. From 1985 on illiterates (nearly 10 million voters in 1989) and from 1988 on those between 16 and 18 years of age were allowed to vote, the latter group for the first time ever. The correlation between illiteracy and poverty in the country is quite clear, and the population is relatively young. The total number of voters in 1989 was 82 million (75 percent urban) in contrast to 15 million (30 percent urban) in the previous presidential election in 1960 (Anuário Estatístico do Brasil [AEB], 1991). Moreover, the 16–18-year age-group alone accounted for nearly 5 percent of the electorate. Collor's appeal to youth and modernity fit the situation (cf. Souza, 1992); his promises met the needs of the poor and less educated. As the Washington Office on

Latin America (1989) indicates, only one-fourth of voters had actually finished primary school. It is estimated that of the nearly 35 million voters who supported him in the second round, 16 million earned only twice the legal minimum wage, that is, approximately US\$120 a month, and 20 million were either illiterate or had only attended primary school (Singer, 1990).

The basis of Collor's campaign was multimedia marketing of an anticorruption platform.² His gamble was to use the distrust of traditional politicians that most of the other candidates were ignoring, and it worked out more than satisfactorily. The core idea of his marketing strategy was to attack and hunt out corruption and "maharajahs"—people who were able, by using the prerogatives of their positions, legally to turn public funds into salaries and other benefits (e.g., official cars, drivers, secretaries, accommodation, security guards, etc.).³ In most cases, these high-salaried civil servants were backed by law and a career plan legally approved by the Congress and states legislative assemblies and in accordance with the country's Constitution.

He thus built his presidential image to fit the opinion polls. Every move he made was calculated: the way he talked, dressed, styled and combed his hair (which later became very fashionable with his supporters in government), gesticulated, moved about, and stared at the camera and the public. His vague economic platform, a set of loosely arranged proposals, was designed not to alienate voters and supporters of different leanings or divide them along conflicting lines. On the contrary, the idea was to find a common objective, one that everyone could accept. Collor tried to avoid having to present more concrete proposals, but as the polls showed a decline in his popularity from August on he was forced to present his September package. Proposals included the opening up of the economy, privatization, fiscal reforms, the end of established cartels and public corporation monopolies, and comprehensive administrative reform, including the elimination of public agencies and ministries as well as the dismissal of personnel. While Luís Ignácio Lula da Silva (Partido dos Trabalhadores [Workers' party—PT]) and Leonel Brizola (Partido Democrático Trabalhista [Labor Democratic party—PDT]) proposed not paying Brazil's foreign debt and Ulysses Guimarães (PMDB) proposed a comprehensive renegotiation, Collor proposed to return debts (contracted abroad) to their original corporate borrowers, end central government backing,⁴ and achieve long-term refinancing of the remaining debt, imposing limits on transfers.

Collor's campaign tried to obscure the division between left and right, replacing it with a modern-archaic division. His studied aggressive style was a necessary step in creating the impression that as head of government he would be capable of delivering on his promises, proposing new modernizing policies, and breaking down barriers of all sorts. It was crucial to set out

clearly how he planned to handle corruption, incompetence, and inefficiency—with a firm hand, determination, and honesty. Rather than as a prerequisite for public office, he presented honesty as a virtue to be cherished. However, there was no hint of what sort of economic and social development he wanted to promote. His references were obscure: privatization, modernization of the economy, and so on. Here there seemed to be a vacuum that organized business did not like. He could then link populist appeals for an end to corruption and an antielite discourse to a free-enterprise, promarket message vis-à-vis a bankrupt, old-fashioned state. In sum, Collor's modernity rhetoric called for lesser state involvement in the economy (e.g., the creation of a modern [minimum] state with commercial openings and the end of protectionism) and morality (e.g., the hunt for corrupt officials and maharajahs).

To this end, Collor presented himself as Mr. Clean, an honorable citizen from a nonindustrialized, poor region who was uninvolved with and indifferent to politics. He exploited the fact that he was the youngest of all the candidates (only 39) to express a new way of governing that would break with established vices. He was—and he insisted on this point—modern, an antiestablishment reformer. He could thus, by exposing his most vulnerable facets, use them to his advantage. His coming from a little-known milieu worked to his advantage, as his past as a politician was obscure to the public nationwide. To face up to the “ominous forces plotting against his goodwill,” he appealed to the masses: “Do not leave me alone!” He needed them, they needed him; together they would triumph. He presented himself as rich, good-looking, well-dressed, intelligent, young, using this to target a huge contingent of miserable people, in his own words, *descamisados* (shirtless). His intemperance would be their good fortune. He would lead the way to success, but he needed votes. In his proselytizing he would be the people's savior, the hero fighting against the interests responsible for their misfortune. In sum, inflation and misery had a cause: corruption, incompetence, and “maharajaism,” and the Sarney government was full of it. The cure was his proposed policies. He was the people's only hope.

However, Collor himself had strong links with the backward forces against which he directed his attacks—although, again, his references to these forces were vague. Collor's family business was associated with the Globo communication empire at the state level, and as a politician he could count on support from his family. But he insisted that he had no connections with particular interests but was concerned only with the “common” interest of society: “All elites are my enemies.” He overlooked party affiliations (perhaps as an excuse for his own party's instability and affiliation to the unknown PRN, as the major parties had refused to consider him for nomination as a presidential or even vice-presidential candidate) and formally

declined the support of the powerful Federação das Indústrias de São Paulo (São Paulo State Federation of Industries—FIESP) as unnecessary. Notwithstanding his protests to the contrary, he was born of a wealthy family with a conservative profile. His grandfather had been Vargas's first minister of labor during the authoritarian Estado Novo; his father had been Alagoas governor and senator (affiliated with the União Democrática Nacional [National Democratic Union]). His own political ascendancy confirmed his conservative inclinations.⁵

A great deal of Collor's message appeared messianic. Velho (1990) argued that the messianic approach achieves better results at times of great distress, crisis, and disorder. In a country with more TV sets than connections to tap water supplies and with so many people living in conditions of poverty, Collor made use of his acknowledged skills as a broadcaster to spread his message. TV and radio connected him directly with the voters. After only one appearance on TV, his popularity rating nearly doubled. To present himself as a charismatic character and disguise his origins and links to the "forces of evil" he had chosen to counter, mass communication was his ideal tool. His message got to the voters first, and his constant attacks on his opponents called for responses, diverting attention away from his personal and political past. When such matters did come to the fore, he blamed the federal government, on which the states and municipalities depended for funds, for the things he had not done as governor and mayor. Moreover, for Collor, as a matter of convenience, the past was past; *renovation* was his party's main watchword.

At the deadline in August, 24 candidates were officially registered, 21 of whom took part in the campaign until the end. The idea was to negotiate positions in the government-to-be with better-rated candidates later in the campaign in exchange for their support and space on TV and radio. Out of the 21 candidates, including Collor himself but excluding both candidates of the Partido Municipalista Brasileiro (Brazilian Municipal Party—PMB), the most important names were Roberto Freire (Partido Comunista Brasileiro [Brazilian Communist party—PCB]), a renowned communist; Lula, founder of PT, a trade-union leader who early in his career had been a metal engineering worker and confronted the military during the 1978-1979 strikes; Brizola (PDT), a labor advocate who had been governor of Rio Grande do Sul before the military period as well as the first elected governor of Rio de Janeiro upon returning from exile, when direct elections for the post were reinstated in 1982; Ulysses Guimarães (PMDB), a symbol of opposition to the military as leader of the Movimento Democrático Brasileiro (Brazilian Democratic Movement), who was president both of his party and of the Constituent Assembly; Covas (PSDB), who belonged to a group of dissidents from the

PMDB made up of intellectuals from middle-class circles and with moderate but (at that time) progressive leftist leanings; Aureliano Chaves (Partido da Frente Liberal [Party of the Liberal Front—PFL]), who had been General João Batista Figueiredo's vice president and whose party had been formed from the PDS; Maluf (PDS), a conservative industrialist who had held several appointments during the military governments and whose main constituency was São Paulo State; and finally Guilherme Afif Domingos (Partido Liberal [Liberal party—PL]), advocate of neoliberalism and an important employers' leader, then president of São Paulo's and later of Brazil's commercial association. None of the others had any significance in the opinion polls.

Just as the PMDB was divided over Ulysses Guimarães's nomination, so was the PFL over the poor performance of Aureliano Chaves. With only one-third of votes, Ulysses Guimarães had won the party's nomination over Orestes Quércia, Waldyr Pires, and Íris Resende. He was pressed to give up the nomination, but he saw himself as the only candidate capable of promoting a government of national conciliation. Antonio Carlos Magalhães, leader of a strong faction of the PFL, openly backed Collor whereas most of the others were backing Aureliano Chaves.

Then at the last moment, less than three weeks from the election, Silvio Santos announced his candidacy. He was a popular TV presenter and owner of the Sistema Brasileiro de Televisão (Brazilian System of Television), the second-largest TV network in the country, employing over 15,000 people (competing with Globo), and this frightened all the candidates, left and right. Simply the announcement of his ticket produced an amazing response in the opinion polls, a spectacular 16 percentage points in favor of his candidacy. In contrast to Collor, Santos had built up his fortune from scratch. He had no party backing or political experience. Every Sunday for more than two decades he had presented a popular TV variety show bearing his name. He was extremely able as a broadcaster, even more so than Collor, especially if the target audience was to be the *descamisados*. Collor and the media supporting him saw Santos as an opportunist seeking to disrupt the election, a further blow to the country's poor democratic record. The Superior Electoral Court halted Santos's challenge. Unable to run as the PFL candidate (a substitute for Aureliano Chaves), he had managed to replace the PMB candidate, but it came to the light that the PMB was in breach of the regulations and its registration was cancelled. Strangely, up to that point no one had bothered about this.

Santos's maneuver was said to have had its source in Sarney, who, under attack from all sides but especially from Collor, was allegedly making a last attempt to survive. Collor, in particular, had promised to promote a comprehensive inquiry into the Sarney administration once in power. But Sarney had

denied the charges and the day before Silvio Santos announced his candidacy had declared: "I have nothing to say about the electoral campaign. . . . I do not interfere in the succession process" (*Latin American Weekly Report*, November 9, 1989; 5). Sarney's only hope was to find a reliable candidate behind closed doors; the level of dissatisfaction with his government being high, his open support could jeopardize any individual's candidacy.

Support for Collor came from the most disparate sources. Oliveira (1990) compared it to a reglued broken mirror, each piece reflecting a discontinuous image. Collor gathered under the same banner forces such as the influential FIESP⁶ and the very poor. For Goldenstein (1990), this is an enigma yet to be deciphered. Collor's strategy of blurring the lines separating left and right, proposing in their place the contrast between modern and archaic, served as an excuse for the strange gathering around him, but he insisted that he had no commitments to any one organized interest—that no one would know him by his supporters. He had made no compromises; nothing would keep him from taking action unfavorable to groups supporting him if he thought this was in the interest of Brazil. According to him he threatened left, right, and center, and the price of his reforms would be paid by the elites who, until then, had most benefited from the prevailing system. This gave rise to a wave of what Nylen (1992) called "defensive scapegoating," the "everyone-but-me-is-to-blame" syndrome. Early in the campaign, though, before the official start on TV and radio, his name circulated mainly in newspapers and newsmagazines, and the tendency at that point was actually the contrary. The first polls showed his having a better rating among the elite, but as his lack of commitment became clear and other conservative candidates entered the race his ratings in "Class A" fell from nearly 50 percent in May to less than 20 percent by the end of September. Class A is mainly made up of less than 4 percent of voters, mostly employers. As voters they are relatively unimportant, but they can exert a great deal of influence on public opinion, especially by sponsoring campaigns.

The "rich" were put off by Collor's lack of commitment, regarding him, however conservative, as unreliable, but this was just the sort of thing that disillusioned voters longed to hear. His growing popularity made other candidates nonviable, attracting factions of the entrepreneurial elite in the first round and virtually all of it (frightened to death by the advance of the left) in the second. In general, he had little support from grassroots organizations and the labor movement except, in the second round, from the moderate Central Geral dos Trabalhadores (General Union of Workers), the results-oriented workers' federation opposed to Lula's Central Única dos Trabalhadores (Single Union of Workers—CUT). The urban vote of the better organized tended to go to other candidates, especially Lula. Collor's main constituency was in the

rural areas and small towns of the interior, where he had an overwhelming majority. Small and medium-sized entrepreneurs, especially in the interior of the Southeast and Midwest, established in small and medium-sized towns and very influential in local politics despite being marginal at the national and state levels and within their own representative organizations, were attracted by Collor's rhetoric (Oliveira, 1990). For example, Collor's housing program would, among other things, open up more business opportunities for the construction arm of this group.

He also targeted the growing number of Protestants, since the more organized Catholics were backing Lula. The evangelists (e.g., Methodists, Anglicans, Lutherans, Presbyterians, Baptists, Pentecostals, Mormons, and Jehovah's Witnesses), Christian but not Roman Catholic, had obtained 33 seats in the 1986 Constituent Assembly Congress and had plans to broaden their political base. Failing to find an evangelist candidate to support (Íris Resende lost the PMDB's nomination to Ulysses Guimarães in April 1989), they were approached by several candidates. They aired their concerns in their churches and TV and radio stations as well as taking part directly in the campaign. In the first round, as the choice of candidates was more generous, there was no specific target. The recommendation was to vote for a nonradical; Lula, Freire, Covas, and Brizola were to be avoided. But the polarization of the second round helped them to make up their minds, although a minority backed Lula all the way. Their main fear was that the left would persecute them (as in "other communist regimes"), and they believed that the Catholics wanted to bring their expansion to a halt. The anticommunist discourse of Ronaldo Caiado (Partido Democrata Cristão [Christian Democratic party—PDC]), Maluf, and Collor himself helped to create a panic atmosphere, especially when Lula made it to the second round. They feared Lula would close their churches and use them for crèches, schools, supermarkets, and so forth. The PT candidate was for them the worst possible combination: communism plus imperialist Catholicism (Mariano and Pierucci, 1992).

The United States was sympathetic to Collor, and this made him more acceptable in certain sectors. His admiration for monetarism and especially for the figure of Margaret Thatcher attracted international banking and other interests (Cockburn, 1989). In contrast, Brizola and Lula, the most viable candidates of the left, were not favorably viewed among Brazil's creditors abroad, as both proposed to question the legitimacy of Brazil's debt.

Collor also counted on help from Roberto Marinho, one of the most influential persons in the country, who had built a communications empire—the *Organizações Globo*⁷—during the military era. Marinho had anticipated that the traditional conservative forces would be unable to win the election and felt that conditions favored the emergence of a radical candidate. In view of

the imminent danger, he backed his second-best choice Collor, at first discreetly. His support intensified after the Santos episode; he was convinced of Sarney's involvement in the plot to launch Santos's candidacy and considered it a threat to his own existence as a media entrepreneur.

Rede Globo gave Collor preferential treatment in the coverage of his campaign. His performance was highlighted on the eight-o'clock news program *Jornal Nacional*, which daily attracted the attention of 70 million viewers. Other candidates—especially Brizola, Maluf, and Lula—attracted little attention or, worse, looked bad when their remarks and actions were presented out of context and manipulated by the use of editing tricks. However, because Lula was held to be an easier opponent for Collor in the second round, there is evidence that Rede Globo presented him as a credible candidate to help him overtake Brizola at the last moment of the first round of elections (Flynn, 1993).

Collor's standing in the polls rose consistently until the eve of the first round when, under attack following investigations into irregularities during his earlier administrations (in particular as governor of Alagoas) and the finding that several of those working on his campaign were employees on paid leave, it dropped quickly. He had held nearly 12 percent of the voting preference in February, 17 percent in April, 45 percent in June, 42 percent in July, and 40 percent in September, when he finally launched a package of economic proposals (cf. Shidlo, 1990). From this point on, his popularity declined, stabilizing at around 30 percent, and he finally obtained 28.5 percent of the votes. Lula's votes exceeded Brizola's by a very small margin (0.6 percent), technically a tie. Collor won in all regions except the South, which was won by Brizola. In the three poorest regions he had an overwhelming majority: 67.5 percent in the North, 59.4 percent in the Midwest, and 53.9 percent in the Northeast (Ducatenzeiler et al., 1992). The results of the first round are shown in Table 1.

Of the six largest parties in Congress—the PMDB, PFL, PSDB, PDT, PDS, and the Partido Trabalhista Brasileiro (Brazilian Labor party—PTB)—only the PDT was in a position to go forward to the second round. The performance of the PL's Afif, only tenth in Congress, gathering 4.5 percent of votes, was noteworthy. Lula's PT was seventh in Congress, while Collor's PRN was virtually nonexistent by election time. The PMDB and PFL candidates, whose parties held three-quarters of the seats in the Chamber of Deputies after the 1986 state elections, failed to take off. The PMDB, with 22 of the 23 governors in 1987 and in control of the national and several of the state and municipal legislatures, got only 4.4 percent of the votes. The PFL got only 0.8 percent. The most common explanation for this is that the PMDB and PFL were Sarney's main constituencies in the Congress during the

TABLE 1
1989 Elections: Official Results (First Round)

<i>Candidate and Party</i>	<i>Number of Votes</i>	<i>Percentage</i>
Fernando Collor (PRN)	20,611,011	28.5
Luís Ignácio da Silva (PT)	11,622,673	16.1
Leonel Brizola (PDT)	11,168,228	15.5
Mário Covas (PSDB)	7,790,392	10.8
Paulo Salin Maluf (PDS)	5,986,575	8.3
Guilherme Afif Domingos (PL)	3,272,462	4.5
Ulysses Guimarães (PMDB)	3,204,932	4.4
Roberto Freire (PCB)	769,123	1.1
Aureliano Chaves (PFL)	600,838	0.8
Others	2,600,415	3.6
Blank and spoiled	4,654,260	6.4
Total	72,280,909	100.0
Abstentions	9,793,809	11.9
Electorate	82,074,718	100.0

Source: Compiled from appendix in Lamounier (1990).

Note: PRN = Partido da Renovação Nacional (National Renovation party); PT = Partido dos Trabalhadores (Workers' party); PDT = Partido Democrático Trabalhista (Labor Democratic party); PSDB = Partido da Social Democracia Brasileira (Party of Brazilian Social Democracy); PDS = Partido Democrático Social (Social Democratic party); PL = Partido Liberal (Liberal party); PMDB = Partido do Movimento Democrático Brasileiro (Party of the Brazilian Democratic Movement); PCB = Partido Comunista Brasileiro (Brazilian Communist party); PFL = Partido da Frente Liberal (Party of the Liberal Front).

implementation of the Cruzado Plan and the other plans, and this had been a heavily attacked issue in the campaign. In the end, the two "antiestablishment" candidates went on to the second round, showing that the majority of the Brazilian population expected no less than dramatic changes.⁸

Lula's takeoff came relatively late. Brizola dominated the opinion polls early in the campaign but was soon overtaken by Collor, who remained in first place until the end. Lula threatened Brizola only at the last moment, but he could count on the PT's strong arm, the CUT, and progressive sectors of the Catholic Church, especially the followers of liberation theology linked to the grassroots Christian base communities (cf. Krischke, 1991). Lula was thus well established in São Paulo, Brazil's most populous state, where organized labor was strongest (the main structures of the PT and the CUT are there) and business interests best organized. He came in fourth in São Paulo state, with 16.8 percent of the votes. His constituency was drawn mainly from those with secondary-school education and those who earned between two and a half and ten times the legal minimum wage. Collor came in first in São

Paulo state, with 23.4 percent of the votes, whereas Brizola received only 1.5 percent. São Paulo's constituencies also supported their own candidates, such as the former São Paulo governor Maluf, in second place with 22.6 percent of the votes, Covas, in third place with 21.8 percent of the votes, and Afif in fifth place with 4.6 percent of votes (Kinzo, 1993).

Technically, except for Brizola's preoccupation with the manipulation of the poll results, there were virtually no accusations of electoral fraud or irregularity in the first round. Yet Collor made use of the usual repertoire of dirty tricks, bringing up issues about his opponents' personal lives. In addition, on election day, he managed to have the urban transport bosses take most buses off the streets of Salvador, the capital of Bahia in the Northeast, where Lula was certain to win by a great majority. This action meant depriving voters of access to the polling stations.⁹

The second round brought some changes in Collor's campaign platform. He until then had been attacking the old-fashioned state, and it was argued that this did more harm than good. Instead of playing an apolitical role as an ordinary citizen fighting for the moral heart of the country, he became a more aggressive right-winger, stressing his modern-versus-archaic equation. He needed to gather new adherents before his opponent did. His discourse turned anticommunist, with allusions to the poor state of affairs of the then U.S.S.R. and Eastern Europe. He engaged in intimidation, with continued violence from his security guards against journalists and supporters of the opposition. He called Lula ignorant and inexperienced and a "radical" who would confiscate people's savings, make extensive land reforms (a threat to property rights), and establish an authoritarian central government. A vote for Lula, he said, was a "red stain on the green of the Brazilian flag." Collor's *Coligação Brasil Novo* was widened, especially in São Paulo state's conservative constituency, namely, the electorate of Maluf's PDS and Afif's PL, a small portion of PSDB's, a parcel of PMDB's, and parts of some smaller parties. Collor continued to put forward the idea of reducing and then mending the state.

Lula's *Frente do Brasil Popular*—which from the beginning had included the *Partido Comunista do Brasil* (Communist party of Brazil—PCdoB), the *Partido Socialista Brasileiro* (Brazilian Socialist party—PSB), and the PT—had, in the second round, in addition, Freire's communists (PCB), Brizola's PDT, and most (some discreetly) of the PSDB and the more progressive PMDB. Lula was committed to strengthening the state. For him, the Brazilian state was incompetent and corrupt, but the solution was to rescue rather than to liquidate it. What he proposed was not any indiscriminate nationalization of the economy but, rather, a state of affairs based on a corporate development model with ample popular participation, consultation, and improvement in living standards. He wanted to ban the military from internal security affairs,

to promote the redistribution of income with an increase in the legal minimum wage from its then US\$60 a month to around US\$200, and to promote the nationalization of banks, transport, education, and health. Although he tried hard to hide his trade-unionist background and moderate his radical image, trying to replace it with that of a seasoned left-wing politician, it was perhaps too late. Early in the campaign he had gone on a tour of several Latin American countries to “collect ideas for a platform.” His first stop was Cuba, “the first to invite him,” as he later tried, unconvincingly, to justify his visit. In view of the deterioration of economic conditions, there had been several CUT-backed strikes at the start of campaign, one of which, the Volta Redonda strike, had resulted in army intervention and the killing of three workers. Lula tried to slow down the pace of strikes. As part of his moderation, he proposed a rich-versus-poor divide. He accused Collor of being “the offspring of dictatorship,” a reference to his political past.

Collor attempted to scare the undecided members of the middle class by declaring the imminent danger of “proletarianization,” while Lula spent a lot of time denying this charge and trying to show a less radical profile. Collor’s new line was designed to have an effect on middle-class voters who were uninterested in politics because of long years of military repression. By this time, the *descamisados* supported him but not of the all bourgeois circles and middle-income professionals who had supported other candidates in the first round.

While the parties were engaging in negotiations to realign themselves for the second round, a great many voters had already made up their minds, helping to force a decision out of some of the undecided party leaders. The dissociation between political alliances and the delivery of votes became patent. This resulted from a combination of the character of Brazil’s political system and the special features and conditions of the first postmilitary presidential election (e.g., growth and change in the electorate, mass communications, deepening economic crisis, and poor social conditions). The weak performance of the PMDB and the PFL made it clear that, at least on this occasion, party and elections were not necessarily connected.

Various interest groups and the supporters of the candidates defeated in the first round had to face in the second round a choice of two extremes. Lula represented the workers’ interests and was committed to socialism. Collor, a conservative (albeit modern), put forward a set of unarticulated, selective, often conflicting ideas linked to free enterprise. The latter had no party base or definite source of support in civil society, while the former was linked to an ideological program-based party (cf. Kinzo, 1993). In opposition to Lula, conservative forces gathered around Collor in what has been called a “vote of exclusion.” Again, Collor’s campaign fund was topped up. São Paulo state’s

industrialists, bankers, and others of the bourgeoisie pretended desperation. The FIESP's president, Mário Amato, famous for saying "We are all corrupt," even announced that 800,000 entrepreneurs would leave the country if Lula won the election. They predicted complete chaos and a renewed threat of either military intervention or the introduction of a parliamentary system that would reduce presidential powers as had happened in 1961 with João Goulart. Lula, running on a much smaller budget, made an amazing comeback and seemed likely to win the election. His support grew from 16.1 percent of the votes in the first round to a final 44.2 percent.

Collor was finally elected by a narrow margin (see Table 2). For his opponents, the general feeling was that the first presidential election in 29 years had been a fraud. "Form had triumphed over content," wrote Schneider (1991: 324). Collor's opponents saw him and his group as a bunch of unscrupulous adventurers and Collor himself as a puppet invented by the media who could not even put together a governing team or maintain alliances (Oliveira, 1990). It was hard to believe the news: the government had been taken by assault; the maverick candidate had won the election. As Giannotti (1990: 25, my translation), biased by clearly preconceived ideas, put it, "A year ago anyone who had said that an obscure governor of Alagoas State would become president would have been the object of derision. Politics revolved around the triangle São Paulo-Rio de Janeiro-Minas Gerais, the epicenter of the social and economic crisis, where a solution to sort out conflicts and organize interests that were able enough to present themselves as the national interest should arise."

In sum, the dominant groups born of the association between the Brazilian state multinational and national capital, used to privileges at the economic and political levels, were slow to respond to the new democratic environment. They took no notice of the people's distrust of the old politicians on whom they had relied to represent their interests. The main parties—the PFL, the PMDB, and the PDS—that sheltered those who emerged from the military period were discredited by their elitist tradition. They faced an institutional crisis and could find no one reliable, clean, new, and committed to their side. As Cammack (1991: 23) wrote, Collor's election "was more a reflection of the deep crisis afflicting the dominant classes than a solution to it." Implicit in Collor's victory, however, was a *planned* realignment of forces within the power bloc, in Collor's own words, "to make room for a leading class of another generation" (*Latin American Regional Reports, Brazil*, March 22, 1990, 3).

The first two-round election had failed to produce the good results implicit in its concept. Its being only for the post of president—that is, not in conjunction with elections for other positions—gave presidential candidates more

TABLE 2
1989 Elections: Official Results (Second Round)

<i>Candidate and Party</i>	<i>Number of Votes</i>	<i>Percentage</i>
Fernando Collor (PRN)	35,089,998	50.0
Luís Ignácio da Silva (PT)	31,076,364	44.2
Blank and spoiled	4,094,339	5.8
Total	70,260,701	100.0
Abstentions	11,814,017	14.4
Electorate	82,074,718	100.0

Source: Compiled from appendix in Lamounier (1990).

Note: PRN = Partido da Renovação Nacional (National Renovation party); PT = Partido dos Trabalhadores (Workers' party).

visibility and concentrated its focus. This further weakened the already fragile links to party politics in the country, favoring individual behavior and opening opportunities for populist maneuvering. The latter was also favored by the indiscriminate use of the media. The new electoral formula did not have the "legitimizing" effect or strengthen viable political alliances as was intended by the 1988 Constitution (Lamounier, 1990). Rather, it produced the establishment of loose, ad hoc links that otherwise would never have come into existence (Pierucci and Lima, 1991). The two late runners saw their differences sharpen, and supporters of those defeated in the first round, who had at that time dismissed both the final candidates, were obliged to play a disappointing game. Hence, the almost immediate dissolution of the coalition around Collor after the election should not have been a surprise.

SUPPORT OF CONGRESS AND LEGISLATIVE POWERS

Collor's proposals and the bills his administration sent to the Congress for approval were, in many cases, unconstitutional. The 1988 Constitution restricted the executive's powers in many ways. The earlier decree-law instrument was replaced by the *medida provisória* (provisional measure). The military decree would automatically become law by *decurso de prazo* (i.e., if not voted [or voted against] by the Congress within an established number of days [which varied—30, 45, or 60 days—throughout the military period]). Delaying tactics were therefore used to stop the opposition from making changes in a decree. Legislative support was important for the military among other things because it gave them some legitimacy and created the opportunity for political alliances at the local and state levels. The

provisional measures established in 1988 worked quite to the contrary. They had to be used in “urgent,” “exceptional” circumstances and voted on within 30 days or otherwise *lose* their legality. This forced the government to come to terms with the legislature. The latter also gained several new functions, some even of an executive nature. In addition, the new constitution called for a more advantageous allocation of fiscal resources by the federal government to states and municipalities, reducing the dependency of certain states on federal funding and thus increasing state governments’ bargaining power. Sarney, for instance, in his turn, targeted governors as well as state benches in Congress.

In this context, Collor was virtually alone. He had been elected by 35 million Brazilians but could count on little outright parliamentary support. Support from the PFL, PDS, and a number of small parties was conditional. The forces gathered around him during the presidential run were heterogeneous, and they could not stay united long enough to form a governing coalition. His own party—the PRN—had fewer than 3 percent of the seats in the Congress at the time of the election and only 21 of 490 federal deputies and 1 of 75 senators at the time he took office. Supporting Collor was the only option available for the more conservative groups defeated in the first round and out of the contest. Once the leftist opponent had been defeated, the political groups supporting Collor, dispersed, especially given the prospect of an executive that chose to act alone and to negotiate neither openly nor in the legislative arena.

Collor knew that he had to govern during his first year in office with an opposition legislature elected in 1986—the same one that had drafted the country’s new constitution returning certain powers to the Congress. He hoped to be able to elect a new legislature full of supporters in the following year’s elections and/or make alliances with the newly elected one later on. His only option was thus to appeal to the “masses” as he had done during his campaign, taking advantage of his high popularity levels immediately after taking power and popular demands to bring hyperinflation to a halt, and to gamble with a risky “shock” plan for the economy in an attempt to pressure the Congress into passing his administration’s bills.

Sarney had somehow managed to overcome the problem of lacking a majority in the Congress, especially after the 1986 elections, at first by making use of the military decree-laws (which he had promised not to do) and then by distancing himself from his former parliamentary support group the Aliança Democrática, which had originally gathered around Tancredo Neves following the “Direct Elections Now” campaign, toward a center-right interparty coalition known as Centrão that converged in the PFL.¹⁰ This group operated during the drafting of the new constitution and, among other

TABLE 3
1990 Elections: Official Results (Chamber of Deputies)

<i>Party</i>	<i>Number of Deputies</i>	
	<i>New House</i>	<i>Old House</i>
PMDB	109	130
PFL	92	90
PDT	46	49
PRN	41	31
PDS	40	32
PSDB	37	60
PT	34	17
PTB	33	28
PDC	21	15
PL	15	13
PSB	12	8
PSC	5	3
PCdoB	5	6
PRS	4	7
PCB	3	3
PTR	2	4
PST	2	5
PMN	1	1
PSD	1	1
Total	503	443 ^a

Source: LARR (November 29, 1990, 2).

Note: New house, 1991-1994; old house, 1987-1991. PMDB = Partido do Movimento Democrático Brasileiro (Party of the Brazilian Democratic Movement); PFL = Partido da Frente Liberal (Party of the Liberal Front); PDT = Partido Democrático Trabalhista (Labor Democratic party); PRN = Partido da Renovação Nacional (National Renovation party); PDS = Partido Democrático Social (Social Democratic party); PSDB = Partido da Social Democracia Brasileira (Party of Brazilian Social Democracy); PT = Partido dos Trabalhadores (Workers' party); PTB = Partido Trabalhista Brasileiro (Brazilian Labor party); PDC = Partido Democrata Cristão (Christian Democratic party); PL = Partido Liberal (Liberal party); PSB = Partido Socialista Brasileiro (Brazilian Socialist party); PCdoB = Partido Comunista do Brasil (Communist party of Brazil); PCB = Partido Comunista Brasileiro (Brazilian Communist party).

a. Only the parties elected for the 1991-1995 term were considered.

things, granted Sarney a five-year term, as he—and the military—wished. Following the 1990 state elections, there were 19 parties with representatives in the Congress, most of them small (see Table 3). The second-largest party, the PFL, was dominated by politicians who had once been linked to the former ARENA but were dissidents of the PDS to which ARENA had converted. They would cooperate only at a price. The party (but not only this party) was dominated by patronage experts to whom the government's

having a favorable political and economic platform was perhaps a necessary but not a sufficient condition for their granting their support. Collor therefore had to deal with serious difficulties before and after the 1990 election in order to balance the implementation of policies with the necessary legislative cooperation, especially as attempts to bring inflation down and put the economy in order failed and later as his popularity slumped.

Two basic strategies were envisaged by Collor and his collaborators for overcoming his lack of parliamentary support. These strategies—confrontation and/or traditional negotiation—more or less occupied two distinct phases although there were elements of each in both phases. The first strategy implied greater government control of political merchandise. Here, politicians were displaced for purposes of filling strategic positions, and government projects were redesigned and fragmented to serve the new political market. The second strategy reinstated politicians in control of political merchandise as was traditional. The first phase saw the formation of a kitchen cabinet, with Collor's friends and their friends—many from Alagoas—being given important positions in the country's executive.

Collor's first cabinet was a combination of young modernizers and old conservatives. The former, nonpolitical specialists, constituted the economic team. The latter were the brokering "bulldozers" who shaped Collor's new clientelist model, a highly professional new machine operated via a computerized system. Here, the main figure was Bernardo Cabral, minister of justice and the government's "political coordinator." The others had links to ministries with capital expenditure.

This phase was dominated by "shock" and special-effect measures and pyrotechnical displays of power. It started on March 16, 1990, with the installation of the new administration and the announcement of a "heterodox" emergency plan for the economy and other measures (see Valença, 1995). The period is best represented by the government's sharp-tongued spokesperson, the journalist Cláudio Humberto Rosa e Silva, who was later appointed cultural attaché to Lisbon—a finance minister with plenty of power to promote policies that were often inconsistent, poorly planned, and lacking a constitutional basis—while the president himself played the role of charismatic leader, full of energy and anger, with an antielite discourse and accountability to "the people," a fairy-tale hero struggling against ill-intentioned forces bound to backward-looking economic interests. Collor launched tragic appeals and would give his "life if necessary" (*Financial Times*, March 23, 1990) in order to protect "the people," which meant implementing the government's proposed policies. Confrontation—with business, labor, and the international financial community—was the order of the day.

Collor sought to maintain his popularity, making use of the media network as he had done during his presidential run, but he added a great deal of sensationalism to give his administration a cosmopolitan image. He continued to build on his image of modernizer, regularly engaging in high-profile activities such as piloting Air Force jets, testing trucks and motorcycles, deep diving, and other sports. He was obsessed with the First World and its luxury cars, several of which were leased for the presidential palace. He often went jogging in a shirt bearing a political message. He made use of every “photo opportunity.” He continually addressed the nation on TV and radio and went abroad—where he had himself photographed with important statespersons everywhere—more often during his two years in office than any other sitting president in history. On Tuesdays he walked out of the Planalto Palace with several of his supporters in the administration. He was in the news on a daily basis. He transformed himself into a sort of advertisement or model for the government and attracted a lot of attention.

To launch the Collor Plan on March 16, 1990, the day after he took office, Collor made use of 26 provisional measures. He had agreed with the Sarney government on a three-day weekend to accomplish the change of government. In the Congress, nearly 2,000 draft amendments were proposed in the economic package. Faced with opposition to the plan, especially in respect to the freezing of private savings, the president sent a clear message to Congress: the plan was “completely unalterable” (*The Independent*, March 23, 1990). He “warned the political parties ‘they must respect me because I am the centre of power,’ and hinted that if necessary he was prepared to circumvent them by mobilizing the masses” (*The Independent*, March 28, 1990). His package was approved with very little change in mid-April. The main parties (e.g., the PMDB, the PFL, the PDS) fully supported it (Valença, 1995).

But circumstances were on his side at the time. He had refused Sarney’s offer to anticipate the transfer of office just a couple of months earlier. Instead, he had celebrated his victory with both unofficial and official trips to a number of countries as well as end-of-the-year festivities in the resort of Angra dos Reis. He knew that Sarney was in no political position whatsoever in his last few months in office to attempt anything that could save the country from skyrocketing inflation, especially after the demise of several attempted plans, the presidential campaign, and all the attacks he had suffered. Collor wanted just that. He wanted the economy and Sarney’s position to be at their worst so that the public would demand a drastic once-and-for-all kind of solution (cf. Schneider, 1991) and so that he could point to the benefits of his administration later on. After all, he had up to then attacked Sarney’s administration as both corrupt and incompetent.

His first measures, despite the row they caused, were in the short run widely supported by the press, business, and public opinion. However, he failed to deliver on his promises, especially his knockout blow to inflation, and congressional support quickly declined. Virtual warfare between Congress and Collor had been building up since May. "Collor's reluctance to give prominent congressmen powerful and lucrative posts in the share-out of bureaucratic power when he took office helped fuel resentment among those whose support he would probably need to court" (Crabtree, 1991: 129). His exclusion policy was making him increasingly hard to swallow. After only 100 days in office, he found himself in increasing isolation. By this time, inflation was picking up, unemployment was skyrocketing, wages were declining, and several strikes (especially in the public sector and where there had been plant closures) were under way.

Another important element in Collor's diminishing support in Congress was the proximity of the October 1990 elections. His own failures now became campaign issues. Moreover, pressure on Congress intensified with the president's constant exercise of the veto, blocking congressional action that he thought would interfere with the course of his proposed policies. As Schneider wrote, "Congress was increasingly unwilling to be railroaded into abdicating its legislative functions in defense of Collor's emergency decrees" (1991: 322).

Some students of Brazilian politics have called Collor's strategy "management and monitoring of the opposition," betting on the weakness of the party as a structure for delivering programs and imposing discipline on its members. Party members are free to adhere to party lines or not (when guidelines are issued) and deliver their votes on an individual basis, unless there is some sort of intraparty agreement as with the PT. Souza (1989; 1992) has called this "invertebrate centrism," in which the center has "unknown boundaries," everyone makes deals with everyone else, and in the end each person is alone.

Accordingly, Collor adopted a "divide and conquer" strategy. By so doing, depending on the nature of the "deal," he could align himself with different partners. Building a progovernment bloc, possibly gathered around the PFL, in Congress as Sarney had done with the Centrão could have limited his freedom of action. For Collor each case was to be negotiated on a vote-by-vote basis (cf. *Latin American Regional Report*, Brazil, November 29, 1990). Hence, the fragmentation, modernization, and sophistication of Collor's clientelist machine was now controlled by means of computer signals from the presidential office.

This was the time of the *bateu-levou* approach, the first phase, in which the government responded to its critics with threats. The technique was simple. The president took pride in using the illusory power handed to him by 35

million voters, employing, as convenient, populist appeals and mentions of the people's will. Helped by the announcement of the Collor Plan, he had high ratings in the opinion polls. At the same time, a rather discreet "political coordinator" was conducting behind-the-scenes negotiations to make sure that—on an individual basis—congressional support was granted, if necessary in exchange for the results of the government's policies in certain areas (mainly concentrated in the social ministries such as health, education, and social action). Bernardo Cabral was the right man for the job. A known defender of human rights and former president of the *Ordem dos Advogados do Brasil* (Order of Brazilian Lawyers), he had a good reputation among his peers in Congress, where he had worked as chief reporter during the drafting of the new constitution. He had belonged to the PMDB all his political career but had resigned in support of Collor's election campaign in the second round. But Collor was delivering little to his natural political allies. Cabral concentrated too much effort on dealing with the "conditional" supporters and left all the arm-twisting to the administration's few outright supporters, and this, added to his mistakes in drafting some of the proposed bills and opposition to unconstitutional measures and the nature of certain deals (his publicized love affair aside), prompted his ousting. He was replaced by Jarbas Passarinho, a retired colonel and minister in three military governments but a supporter of the country's redemocratization—another politician with outstanding "brokering" talents. Passarinho's main charge was to improve relations with Congress.

The 1990 elections for 26 state governors and Federal District governor, 969 state deputies, 503 federal deputies, and 31 senators (one-third of the seats) occurred in the midst of these developments. The first round took place on October 3 and the second round (for 14 of the 27 governorships only) on November 25. Collor kept relatively quiet about the elections—or at least so it seemed—except during the second round, when, to the disadvantage of the candidates, he declared his preferences more emphatically. From the first to the second round of elections there was a rapid deterioration in the economy, with rising numbers of bankruptcies and rates of unemployment and inflation of nearly 20 percent a month.

Given the balance of power between the executive and the legislature, the election that would replace the whole Chamber of Deputies and a third of the Senate was all-important for the Collor administration. His marginal involvement was perhaps only a facade; more important was the provision of financial support. In his statement to the court during the investigations of his case, Farias said that he had financed several politicians using leftover presidential campaign money (a portion of which went for the president's personal spending). The ones he mentioned of course denied the charges.

The 1990 elections were notable for the high degree of turnover in the Congress. For instance, 60 percent of the federal deputies were not reelected. Once again, the PMDB and the PFL gained the majority of seats. Collor's benches improved, but not as dramatically as he needed, with his own party acquiring an additional ten seats. At the same time, the elections for state governors brought the comeback of old politicians linked to the military and the period prior to that dominated by clientelist party structures (e.g., the PMDB, the PFL, the PDS and the PDT), and governors are able to put pressure on the state benches in Congress and influence public opinion in their states.

Collor's position with regard to Congress, then, was as follows: as noted, he made no formal alliances. He counted on outright support from his own party, the PRN, and the PTB and conditional support, dependent on behind-the-scenes deals, from an informal bloc of center-to-right allies—the PFL, the PDS, and half a dozen small parties. In total he had 255 potential supporters out of 503 federal deputies in the lower house of Congress, a very conservative majority, and in the upper house he had 37 out of 81 senators, 5 votes short of what he needed. His outright opposition included the PT, the PSB, the PCB, the PCdoB and the PDT, totaling 100 members in the Chamber of Deputies and only 9 in the Senate. In the middle were the PMDB, with 109 federal deputies and 25 senators, accommodating various groups of the center, and the center-left PSDB, with 37 federal deputies and 10 senators. Collor often needed to depend on some support from these middle groups.

It was now more than a year since the start of Collor's term. The newly elected Congress was seated on February 1, 1991. By issuing a new economic package, the Second Collor Plan, the day before, Collor further irritated Congress. This was a bad start, but perhaps he mistakenly perceived the result of the elections as favorable to the government. His bombardment of Congress with emergency measures—143 up to the end of 1990—had kept the outgoing Congress from debating and approving laws related to the new constitution. For a long time he had been under pressure to negotiate more, but this was something that he saw as a weakness. As Góes wrote, "The President does not help because he has chosen to govern with few partners. He ignores the fact that the resources to win an election are different from those that are necessary to govern" (1992: 97, my translation).

On March 14, 1991, Collor launched his Projeto de Reconstrução Nacional (National Reconstruction Project), a package of proposals for legislation and constitutional amendments to enable his administration to implement a comprehensive fiscal reform, but the legislation became stuck in Congress. His continued defeats finally convinced him of his poor standing. Some of his friends and collaborators, especially those holding very visible positions, were then removed from office and replaced by nominees of

supporting parties and/or party factions. After Cabral, the first to go, in May 1991, were the minister of the economy, finance, and planning and her team, who were blamed for the administration's economic disaster. She was replaced by Marcílio Marques Moreira (a member of the PFL), Brazil's ambassador to Washington. His diplomatic training was expected to make the government "friends." The new approach was a promise that there would be no more "shocks" (cf. *Financial Time*, May 21, 1991; May 30, 1991). Moreira included on his team many who had taken part in Sarney's economic teams.

Inaugurated in May 1991, the second phase of the Collor administration was dominated by a more traditional approach that the president called soft (the same as in English). Here, in contrast to the first phase, the "political coordinator" was anything but discrete. The demise of two emergency plans and the unceasingly poor state of the economy had helped put the president's popularity in decline. From almost 70 percent in April 1991 it dropped to under 20 percent in October 1991. Although his vigorous style remained unaltered, his earlier strategy was no longer working in the same way. Several important bills sent to the Congress were awaiting deliberation, but the government could not do much to speed up the process or to recover his high ratings in the short term.

As the government's position further deteriorated, in August 1991 Collor revived Sarney's defunct dream of a political "pact" with regard to his proposed reforms, in exchange for which the government would roll over state and municipal debts. By October the opinion polls showed that over 90 percent of those interviewed were dissatisfied with his administration. He was in almost complete isolation and increasingly at the mercy of the PFL. But economic conditions did not improve under the new "soft" policy. For the government, everything now depended on its projects' being approved by Congress. Some observers suspected that it was purposefully promoting loose macroeconomic controls in order to pressure Congress with the prospect of hyperinflation. At the end of 1991 Congress finally agreed to raise taxes on business in exchange for the rollover of state and municipal debts—a minor though expensive concession.

The government was on the brink of collapse. Immersed in a deep crisis and blocked by Congress, Collor sought to promote a major realignment of forces in his support. A minor reshuffle of his cabinet in mid-January 1992 was followed two months later by a major one. During the former, he got rid of those involved in corruption charges and/or scandals. The PFL gained further positions in the government with three new ministerial posts. Collor's minister of social action, Margarida Maria Maia Procópio, from Alagoas, had to make way for Ricardo Fiúza, then a PFL federal deputy. Procópio was part

of the so-called República das Alagoas—the many friends from his state that the president placed in (and around) his government in Brasília when he took power in March 1990. Fiúza was an experienced professional politician and a sugar and alcohol producer, based in Pernambuco. He was renowned for his expertise in patronage-clientelist practices, and his task was to act, at first informally, as a “political coordinator.”

Shortly after these appointments, Antônio Rogério Magri, the former minister of labor and social security and at one time a working-class leader, was accused of accepting US\$30,000 in bribes to persuade the Trustee Council to approve a sanitation project in Acre, the cost of which exceeded the established limits. Thus Fiúza was needed at a time by an administration under attack on a number of fronts. Moreover, the new “soft” style of the administration’s second phase meant that Collor had to withdraw his friends from their positions in order to negotiate with those parties willing to support his proposals in the Congress. Fiúza’s party, the PFL, until then had been the largest right-wing party and the second-largest overall, holding 92 seats. Although the party was known for its many regional “sects” and internal disputes, it was no doubt willing to take on the mantle of government as was necessary to “feed” its clientelist structures. Collor, for his part, could not do without it.¹¹

The main difference between Fiúza¹² and earlier “political coordinators” was that the latter had not been ministers with funding for investment expenditure.¹³ With Fiúza these two functions came together. Perhaps this was an attempt to speed up negotiations. More important, though, his being at the ministry was a product of a political arrangement with the PFL, which by this time had also held several other positions within the administration. Fiúza’s duties were therefore to adopt the same practices that had put him in office in the first place.

Fiúza remained in his position through the major cabinet reshuffle on March 30, 1992. Interestingly, the new nominations resulted in the establishment of a so-called ethics group, ministers who acted more or less independently of the administration during the congressional investigation over the Farias case (see below). In January 1992 Jorge Bornhausen—a former PFL senator—was made secretary of state as the head of the Secretariat to the Presidency, a new cabinet position created to accommodate him in the top echelon of the administration. He was then to act as “political coordinator” but later became part of the transitional “ethics group.” Thus, it is plausible to conclude that Fiúza remained at the forefront of government negotiations in practice until Bornhausen’s resignation later on, when Collor’s impeachment was under way.

The reshuffle—the idea of which is attributed to Bornhausen—was coordinated by Jarbas Passarinho, who forced the collective resignation of the whole cabinet on March 30. Passarinho himself was replaced. Nine ministers, including the economy minister and the military ministers,¹⁴ were reinstated at once. The strategy was to have positions vacated as well as to create new ones to negotiate with the center-left, especially the PSDB,¹⁵ and create a government of “national conciliation.” Here the increased number of ministries in the January reshuffle which resulted from the split of the Ministry of Infrastructure into the Ministry of Communication and Transport and the Ministry of Mines and Energy and the division of the Ministry of Labor and Social Security into the Ministry of Social Security and the Ministry of Labor and Federal Administration was helpful. Also, the Secretariat for Regional Development was turned into a ministry. The total number of ministries, which had been reduced from 23 to 12 at the start of Collor’s term, was now 16.

Collor’s second phase reincorporated into the government some interests that had received less attention than formerly during the first phase. Both the new finance minister and Bornhausen had links with banking interests, having once been Unibanco executives, and so did Fiúza. The new foreign minister, Celso Láfer, was an adviser to the FIESP. Collor had gone back to where the government had been when he took power, hoping that somehow his constitutional reforms would finally be approved. However, in contrast to the change of course promoted by the Sarney government after the Cruzado Plan and the 1986 elections, Collor’s changes did not dismantle most of his former arrangements. The new distribution of positions would have made sense (and friends) only if these had had some independence and power, and the president’s men still held positions at the many levels of the federal machine and operated in parallel.

Collor thus tried desperately to reestablish the conditions under which his government could operate. This meant having the cooperation of the Congress. In the absence of popular support, he had to replace his more independent approach with a more traditional one. However, he had made many enemies and displaced influential interests whose trust he was never to recover, including both the military and civil servants, who had seen their standard of living decline with the government’s policy of indexing public employees’ salaries below inflation. Weakened as he was by the poor economic performance of his government and his politics of fiasco, the gap between rhetoric and delivery on promises only became more visible. The retreat may have come too late.

Collor had promised to put an end to clientelist forms of political intermediation and the government's patronage machine, which he saw as selectively benefiting influential sectors of Brazilian society, especially organized business. His failure has sometimes been attributed to the action of unspecified forces beyond his control—the opposing forces of opportunism, clientelism, and privilege—but his own actions were no different. His attacks served as a disguise for a scheme in which new clients, new patrons, and therefore new intermediaries emerged to frame a new but conflicting balance.

COLLOR'S IMPEACHMENT

In addition to the Farias case, the Collor term produced a number of scandals. To start with, the love affair between the finance minister, Zélia, and the minister of justice, Cabral, served to entertain the population. The LBA case, unveiled in September 1991, became notorious because it involved First Lady Rosane Collor, who was charged with diverting charity funds to her family's businesses and electoral campaigns. More serious scandals involved purchases of the Ministry of Health's central drugstore, the leaking of confidential information on Brazil's operations in the international coffee markets with the involvement of members of Zélia's team, the receipt of bribes, as in the Magri case, and the case in which the secretary of strategic affairs, Pedro Paulo Leoni Ramos, allegedly used his appointees in PETROBRAS (Petroleum of Brazil) for dark deals, which merited a congressional inquiry of its own. Investigations by the federal police also showed that Collor, Farias, Zélia, and many others had cleared their bank accounts shortly before the announcement of the Collor Plan, which they knew would freeze most private assets.

In May 1992 the president's younger brother, Pedro Collor, publicly denounced (in a series of interviews with the newsmagazine *Veja*) the president's connections with his former campaign treasurer, Paulo César Cavalcante Farias (PC), and the links to the underworld of bribery, extortion, influence-peddling, and several other serious violations within Collor's government. He accused Farias of being Collor's front man in illegal businesses involving the government. Pedro Collor was then the president of the Collor family's communication group, the Organizações Arnon de Mello, and he was concerned that Collor and Farias were planning to open a competing newspaper in Alagoas. In response, the president addressed the nation and apologized for his brother's temporary insanity. His mother, the major shareholder in their family businesses, endorsed Fernando Collor and removed Pedro Collor from the group's presidency. Much of the contents of Pedro

Collor's accusations were known to many, as the congressional inquiry later revealed, but in the absence of concrete proof only someone such as the president's own brother could have triggered such a row.

There are indications that the Farias scheme may have started locally in Alagoas and acquired a national base when Collor became president. There were several irregularities in Collor's prior administrations as mayor and governor. For instance, in addition to illegally employing people, he had spent US\$1 million on official propaganda promoting his governorship, 54 percent of which went to his own family business (see Cockburn, 1989), and managed to stop the Central Bank's investigations into charges of fraud against Farias.

Krieger et al., (1992) argued that the aim of the Farias scheme was twofold. First and foremost, Collor and Farias wanted to build a communication system independent of that of Collor's family that could, in addition to being profitable, later serve them for electoral purposes. The Collor family's group was dominated by his mother, who held 75 percent of the shares; Collor and his brothers and sisters held 5 percent each, inherited from their father. Collor could not, on the basis of his share, give the family business the direction he thought would be fruitful for him in the future. Last but not least, the Farias scheme was an attempt to build up a considerable amount of funding for electoral purposes—not only for presidential elections but also for an electoral support system that could place Collor's own people at all levels of government. However, the rush was fatal. The many inconsistencies in the scheme could easily be detected just by comparing the fast-growing assets of the scheme's members with their "official" incomes.

In sum, the scheme had the long-term aim of political domination, which was to be supported by fast, short-term fund-raising. The idea of the communications system was in tune with Collor's assumption that high-tech communication could play the role of traditional politics in effectively conveying his populist-like messages to constituencies. For him the communication race was at the heart of future elections. Moreover, it was not entirely certain that Roberto Marinho, Rede Globo's owner, would support him if another viable conservative candidate came to the fore. Collor also worried about the increasing influence of São Paulo former governor Orestes Quércia, who was also the president of the PMDB (the largest of all the parties). São Paulo is Brazil's most industrialized state, and there were rumors that Quércia and his group had built up a considerable amount of campaign funds.

The Farias scheme involved a number of key people strategically distributed throughout ministries, secretariats, offices, and public corporations whose salaries—reduced in the wake of the government's administrative reforms and income policy—were generously complemented by the scheme

or through its connections. This process was called by some observers the privatization of *mordomias* (benefits), and it amounted to a parallel cabinet influencing the use of an estimated 30 percent of the government's budget.

Businesses of three basic kinds were undertaken: the sale of government orders, the sale of government actual payments, and the proposal of legislation relaxing conditions, price controls, and so forth. In other words, the Collor group gathered around Farias superimposed a new scheme of government orders on the existing one, a legacy of the military and Sarney periods. This not only caused discontent among the formerly established but now displaced schemes but also caused disturbances in the management of public funds. The traditional "lobbyists" operating schemes in the ministries, especially the distribution of large orders, were several and made a 10 percent commission on approved projects. These operated within more or less restricted areas related to specific ministries, public agencies, and companies. The Farias scheme charged in advance 40 percent or more of total value and established a monopoly that destroyed the other "consultancy firms" (see Krieger et al., 1992). In order to afford the high commissions, government contractors overpriced quotations. The orders subject to bidding were accommodated by a series of technical restrictions revealed ex ante only to the firm in the scheme or even formulated by that firm itself.

Farias's businesses with and within the government were favored by the ministerial reform promoted at the start of the term, which had reduced the number of ministries from 23 to 12. High-spending ministries like the Ministry of Transport became mere second-rate secretariats, which were much less visible even though some controlled high levels of expenditure. Moreover, fewer ministries were easier for the president's reliable and devoted friends to control. The Farias scheme involved a series of phantom firms and phantom current-account holders that served to divert attention, avoid taxation, and launder Farias's revenues. The phantom firms and some of Farias's actual firms would give "cold" receipts to the firms paying for the scheme.

One company, Brasil Jet, provided private air transportation to executives. Farias made several unauthorized flights abroad using his corporate jets. The suspicion is that he may have taken cash with him to be deposited in "fiscal paradises." At least one of his companies "provided" economic and fiscal consulting services for which firms paid outrageous amounts without having contracts or even getting receipts. The consultancy firm gave "advice" on how to bid for public orders, but most of its eight or so employees had barely completed secondary school. Of the companies that did business with Farias, many were the Brazilian branches of multinationals and large Brazilian companies. The amounts involved varied from US\$200,000 to US\$3.2 million.

It is difficult to say for certain whether Farias's illegal connections and businesses simply took advantage of the government-promoted reforms or whether the group was able to interfere in governmental affairs in order to create a more favorable environment for the operation of the scheme (see Krieger et al., 1992; cf. Alencastro, 1992), but the former seems more plausible. If the latter was the case, then the group was caught in its own trap. The end of operations with bearer-checks promoted by the first Collor Plan provided the first clues, and the disclosure by court order of the confidential banking records of those under investigation caught other people in the net.

Despite early skepticism, Pedro Collor's interviews triggered a huge wave of investigations into Farias's and the government's business, at first ordered by the president himself. He had hopes that the investigation would clear his name of his brother's charges for lack of proof, but this proved to be a double-edged maneuver that, added to other developments, cost him the presidency. The evidence appeared piecemeal, one piece after another, and the puzzle was put together. Some pieces remained, but it was hoped that they might turn up as the investigations progressed.

A congressional inquiry was initiated by the president of the Congress,¹⁶ at the request of the PT, only six days after Pedro Collor's allegations. A Comissão Parlamentar de Inquérito (Parliamentary Inquiry Commission—CPI) of 22 members was set up to investigate Farias's businesses and Pedro Collor's allegations. The inquiry was assisted by the police investigations ordered by the attorney general. Two of its first steps were examining the checks deposited in the accounts of the suspects and telephone conversations. Some 40,000 checks, receipts, bank statements, and other documents were analyzed. The CPI report, approved on August 26, became the basis for the request by the OAB and Associação Brasileira de Imprensa (the Brazilian Press Association) for Collor's impeachment. The start of impeachment proceedings was voted on in the Chamber of Deputies (441 to 38) on September 29, 1992. The news was celebrated by a crowd of 100,000 people gathered outside the Congress and other street gatherings throughout the country (*Isto É*, December 20, 1992). After 932 days as president (just over half of his five-year term), Collor was suspended from the presidency for 180 days, the period during which the Senate was to adjudicate the impeachment process (*Veja*, January 6, 1993). On October 2 he stepped down and was replaced by his vice president, Itamar Franco. A commission made up of one-fourth of the members of the Senate was set up to draft the charges against the president. The Senate made a quick investigation, voting for Collor's impeachment only 88 days after the start of the proceedings and despite all attempts at maneuvering by Collor's defense attorneys.¹⁷ Collor resigned from office at the beginning of the trial on December 29, 1992. The Senate, voting 73 to 8,

decided to go ahead with the impeachment proceedings. The conclusions were unequivocal, and the Senate voted for Collor's impeachment (76 to 3) in the early hours of December 30. Later in the day, Franco took over the office of president.

Many groups were important in the movement for Collor's ouster. Street demonstrations with the full participation of secondary and university students campaigned intensively for the authorities to bring the corruption ring to an end, and demanded that Collor be ousted.¹⁸ The presidents of the two houses of Congress and the president of the Supreme Court, who presided over Collor's trial, managed to block several defense maneuvers. The federal police intensified its investigations. Many civil servants anonymously provided evidence. At least one businessman and the driver of Collor's private secretary came out into the open as witnesses, and Alcides Diniz's secretary, who witnessed the "Uruguay Operation," denounced the plot. The press competed to provide firsthand evidence and clues. The two main national newsmagazines, *Veja* and *Isto É*, the two main newspapers in São Paulo, the *Estado de São Paulo* and the *Folha de São Paulo*, and in Rio, the *Globo* and the *Jornal do Brasil*, conducted their own investigations. It is suggested that people linked to the Serviço Nacional de Inteligência (National Intelligence Service), closed down by Collor at the start of his term, rebelled against this decision by helping with the investigations and turning over confidential files to the congressional authorities. The work of a free press was certainly of major importance in bringing the facts into the open, stimulating public opinion, and pressuring senators and federal deputies as well as the attorney general, the federal police, and the judiciary, in whose hands ultimately lay the power to stop the Collor corruption ring.

Fearing that Collor could make use of public funds to buy some politicians (he needed one-third of each house of Congress), the "ethics group" took steps to guarantee a smooth transition. Antonio Carlos Magalhães, governor of Bahia, said that Collor's only hope was to open the Treasury doors. Fiúza, who had assumed the role of "political coordinator" following Bornhausen's resignation, had a busy time trying to "buy" politicians in favor of Collor. It was expected that they would be protected from exposing themselves to public opinion by secret voting, but the Supreme Court ruled this out. The "ethic" ministers proposed that Collor resign to save the country the trouble of an impeachment judgment, but Collor declined to do so. His position was indeed fragile. If he resigned he would still have to face ordinary justice, and a resignation would be, in effect, an admission of guilt. As the investigations came closer to Collor, he found himself with fewer and fewer allies, with both the PFL and the PDT dropping their support and several government officials

resigning. Only at the last moment did he resign, alleging that he was forced to do so in view of the “plot” set up against him.

The campaign against Collor was labeled “Ethics in Politics.” The speedy process reflected the virtual paralysis of the economy and government programs during the time of the proceedings. Popular outcry demanded that the country get back to normal. Notwithstanding all these developments, the coalition of forces that had conducted the campaign was short lived and targeted at Collor’s demise; it had no reference to any more comprehensive project of political and economic restructuring (Nobre, 1992).

According to Suassuna and Pinto (1992), Collor would have had to work for 75 years as president of Brazil to earn as much money as was deposited in his personal accounts in his first two years of office. The CPI concluded that the president and his family had made use of their positions to receive undue economic advantages. Farias had made payments to Collor, his mother, his ex-wife, and his current wife. He had paid Collor’s household expenses and funded the multimillion-dollar renovation of his famous gardens. He had presented Collor with a small car, paying with a check from one of his phantom current-account holders. Collor was also charged with white-collar crimes (tax evasion, illicit enrichment, etc.), conspiracy, criminal association, influence peddling and passive corruption (cf. *Folha de São Paulo*, November 16, 1992) but was found not guilty for lack of proof. According to his brother, Collor’s connivance with Farias could at best be seen as omission. Despite Collor’s denials that he had had anything to do with Farias, with whom he had allegedly lost contact since the election, Pedro Collor suggested that Farias had acted deliberately. Furthermore, several people were said to have advised Collor of Farias’s deals but he refrained from taking any action.¹⁹ Collor appealed his impeachment to the Supreme Court but lost.

A CONCLUSION

Collor moved too fast in displacing former interests and promoting his own. He modified the rules of the political game to make the political merchandise scarcer and more desirable. His strong control over the allocation of public funds and appointments improved the tools for playing the political game in the face of his lack of a stable support bloc in the Congress, and this enabled him to choose more freely which sectors to reward. His one-to-one technique meant that the political merchandise had to be fragmented as much as possible so that he could make offers to more politicians to secure their votes.

Collor consistently alienated politicians as well as potential supporters. He disrupted the job-appointment process, which involved both politicians and entrepreneurs, and his handling of plant closures, privatization, and commercial openings displaced well-established interests. He humiliated the Congress through vetoes, threats, and excessive use of emergency measures. He challenged the judiciary with attempts to promote unconstitutional measures. As Schneider (1991) put it, he was arrogant, inexperienced, technocratic, and intransigent. It is therefore not surprising that the sectors he displaced or gave little space showed him little mercy.

Congress did not at first show much enthusiasm for the investigation into Farias's businesses and his connections with the president. To fight against an executive whose constitutional powers were still strong and who would probably remain in power could, after all, have cost them dear (on an individual basis). Some also feared for the stability of political institutions, since a crisis could cause the return of the military. Collor's impeachment was imposed on Congress under the terms of the constitution and under pressure from all sides. As the work of the congressional inquiry progressed, however, confidence began to build that Collor would have to leave office,²⁰ and this together with popular pressure gave Congress the political muscle it needed. From the start of the trial, no one expected Collor to return to power.

Franco stepped in as an independent (no party affiliation), promising to govern with Congress,²¹ and his cabinet reflected just that. Given that Brazilian politicians depend on the state to perpetuate their status and that the very structure on which they based their power and influence had been wrested from their control, it is naive to assume that they had nothing to do with Collor's removal. Bearing in mind the 1992 municipal elections, they might have compromised by concluding that congressional action was necessary but not sufficient to provoke the end of the Collor government. Popular demand and general dissatisfaction (especially that of displaced interests) were the fuel that they needed to go all the way with impeachment.

Where should the developments of the Collor era be placed in a Marxist framework? For starters, did the emergence of Collor mean a rearrangement of the power bloc (see Carnoy, 1984; Jessop, 1990)? Schneider (1991) wrote that Collor wanted to move control of the power framework from protected sectors to new dynamic managers and from clientelist "good ole boys" in Congress to "young independents." For Souza (1992), Collor's plans meant the ascendancy of the New Right, which she (perhaps imprecisely) defines as groups linked to the new export sector, finance, the upper middle class, and professional sectors born of the military era, as against the "Old Right" made up of traditional capital-goods producers, heavy industry, and multinational enterprises, with the backing of the FIESP and the right and center parties.

Collor's proposed "social Darwinism" (the survival of the fittest through competition) would benefit the former group. However, this scenario does not fit the facts well. Overall Collor did little to change the basics of Brazilian politics. As had others before him, he tried to advance his own (small) group. His innovation was trying to displace all the others. For this he needed broad popular support and greater control of federal legislative and state-based politics, a longer-term project that had to follow the electoral calendar and demanded large sums of money.

Thus what Collor intended was not a restructuring but a displacement of the power bloc;²² his government was as conservative as those before him. I would place Collor in the context of the Gramscian notion of domination (as opposed to hegemony). When a faction of the dominant class rises to power and remains there by force (and not only physical force), the chances are that the accumulation process will be disrupted, with the concentration of surplus value in fewer—and not necessarily the most productive—economic sectors. To see this in the context of corruption and clientelist forms of the distribution of economic rewards, it is worth considering a short article by Pala (1994), suggestively titled "The Transformation of Value into Bribe" and dealing with the Italian case. A bribe (and other forms of economic reward operated through clientelistic channels) is a form of concrete appropriation of surplus value. Depending on the extent to which this is done, it may disrupt the economic system, with profit margins being squeezed in favor of "political" intermediaries. This is one way of looking at Collor's passage through power.²³

In practice, Collor further weakened the foundations of Brazilian democracy. He was not a populist—in the sense coined by Laclau (1979)—after all. He only made use of populist-like forms of expression because this favorably affected public opinion while keeping him at a safe distance from people's problems. He chose to promote his policies through the same traditional channels that had been employed for decades but with new forms and greater reach initially displacing the traditional players only to promote his own patronage network. Ignoring the other interests in play, he thought that occupying the government would make him powerful enough to control the whole of society. The challenge from business, labor, Congress, and other sectors of Brazilian society showed that this was naive. To sum up, I should add, at the risk of being misinterpreted, that both Collor and the movement that removed him from government were conservative in form and essence.

Collor speeded up the process of opening up of the country to the "world" that is now being consolidated by the government of Fernando Henrique Cardoso. However, there is a fundamental difference. Now, the traditional power framework centered in the São Paulo–Rio–Minas Gerais triangle (to

use Giannotti's [1990] schema) is back in place, in the name of the nation. Thus the movement to end the wrongdoing of the Collor government has not resulted in new political or economic prospects for the country. It has served, rather, to restore the power to those who had been careless enough to let the government slip through their fingers. Controlling the government may not be sufficient to establish hegemony, but it surely helps.

In conclusion, the country's political culture—that of patron-clientelism at all levels and regions—has to change somehow in order to allow participation, control, accountability, and transparency in official business. There is no way to escape having to contend with the “Brazilian way” in politics—the politics of giving—if Brazil is to evolve into a fairer society. Yet, again, this will not be achieved from the top down.

NOTES

1. However, because of the uncontrolled informality of fund-raising, most comments on this matter are cloaked in obscurity and cannot be substantiated.

2. With one eye on the polls and the other on the multimillion-dollar coffers of the campaign, Collor and his group calculated their strategy with care. Because polls showed that Brazilians wanted a strong leader (Nylen, 1992) and that over 70 percent of voters had no trust in politicians, political parties, or the federal government (Flynn, 1993), what Collor's campaign team understood was that *presentation* was more important than *purpose*.

3. At the start of his term as governor of Alagoas, he had attempted to lay off several officials. The measure was widely publicized in the media though short lived, and he made use of it for his presidential run. Later, as president, he attempted a similar maneuver.

4. During the second half of the 1970s and the early 1980s, most of the foreign debt had been nationalized (see Valença, 1995).

5. If any sociological importance can be attached to it, his two marriages were into prominent families, the second being more provincial.

6. Although publicly he declined the support of the Federação das Indústrias de São Paulo (São Paulo State Federation of Industries).

7. The group included the Rede Globo TV network, AM and FM radio stations, newspapers (e.g., the leading newspaper *O Globo* in Rio, sold nationwide), and several other companies. Rede Globo had 15,000 employees, 5 main broadcasting stations, and 63 affiliated stations received by 99.9 percent of TV sets and accounting for 75 percent of Brazil's TV media budget.

8. The pursuit of the presidency by the Partido dos Trabalhadores (Workers' party—PT) may have been strengthened by its good performance during the previous year's municipal elections, when it won in important regional capitals. At the municipal level, nearly 10 percent of the country's population, in 37 municipalities, came under the PT's administration (Bittar, 1992). A rough estimate is that these municipalities generated about 40 percent of Brazil's gross domestic product.

9. Later, transport bosses were given important positions in the Secretariat of Transport at the expense of the road contractors who had traditionally dominated the area.

10. The Centrão consisted of 152 members: 80 linked to Partido da Frente Liberal (Party of the Liberal Front), 43 to Partido do Movimento Democrático Brasileiro (Party of the Brazilian Democratic Movement—PMDB), 19 to Partido Democrático Social (Social Democratic party—PDS), 6 to Partido Trabalhista Brasileiro (Brazilian Labor party), 3 to Partido Democrata Cristão (Christian Democratic party), and 1 to Partido Liberal (Liberty party). Ricardo Fiúza was the key mediator in Centrão, assisting Sarney.

11. In the midst of political turmoil, toward the end of March 1992, Fiúza implicated himself in a scandal, making public that he had been presented with a jet ski (which he eventually returned) by another huge contractor. He also said that Brazilian election law was “hypocritical” in relation to fund-raising and reported that he himself had accepted US\$100,000 from the Federação Brasileira de Bancos (Brazilian Banks Federation) to finance his campaign for federal deputy in 1990 and those of other politicians. It is not clear why he made these declarations. Perhaps it was to distract attention from other serious charges against the government. In any event, he gained plenty of space in the media.

12. “Political coordinator” was a position no one knew much about. This function until then had been performed by the minister of justice, Jarbas Passarinho (PDS-PA), replacing Bernardo Cabral (PMDB-AM), Collor’s first minister of justice. Reportedly it was a link between the Congress and the administration negotiating demands from both sides.

13. The Ministry of Social Action concentrated funds on social policies—namely, housing, basic sanitation, urban development, and aid programs—and was thus much in the public eye. Fiúza’s appointment to it was a signal to many sectors that the government was ready to negotiate to remain in power. Because the message was perhaps too clear, the function had to be formally undertaken by Bornhausen.

14. On Collor’s relationship with the military, see Zaverucha (1991; 1993) and Conca (1992).

15. However, negotiations with the Partido da Social Democracia Brasileira (Party of Brazilian Social Democracy—PSDB) failed. In view of the 1992 elections for mayors and municipal chambers and the limited support for the Collor government, the party was divided as to whether becoming part of the government would be of value. Furthermore, they could not agree with the government on how many and which ministries were to be allocated to them. Eventually, two new ministers linked to the PSDB accepted positions but on a personal, nonparty basis.

16. The president at the time, Ibsen Pinheiro, who played a paramount role in Collor’s trial, was a few months later implicated in the so-called budget scandal, in which politicians and government officials manipulated millions of dollars in budget allocations.

17. Collor’s trial, scheduled to take place on December 22, 1992, was granted a week’s delay because at the last moment he dismissed his defense attorneys. His defense included a so-called Uruguay Operation, a clumsy arrangement that cost him dearly. Collor had to explain the origin of the millions of dollars he had spent during his period as president. Allegedly, the operation was a loan contracted with a black-market currency dealer in Uruguay, brought to the country illegally, turned into gold illegally, and sold little by little to pay the president’s expenses. The idea of the Uruguay Operation was virtually abandoned later during Collor’s and Farias’s interviews with the civil justice. It seems, though, that the strategy of the defense was then to characterize the crimes as electoral and fiscal—commonplace in the country because of its old-fashioned, inflexible laws—rather than corrupt. Collor’s defense’s strongest argument was that the money in his accounts was left over from his campaign.

18. Collor asked the Brazilian people to take to the streets on Sunday, August 16, 1992, in his support wearing green and yellow, the country’s colors. However, the overwhelming majority wore black, and “black Sunday” marked the start of these demonstrations.

19. Several years later, not one member of the group had been sentenced for the frauds perpetrated within the government. The proceedings are expected to last several years. Farias, one of his partners, and two employees, though, had preventive imprisonment after an investigation into the fiscal fraud of one of his companies. Farias and his partner fled; the two employees were imprisoned for a few days but then released to prepare their cases. After several months at large, Farias was finally found in a luxury hotel in Thailand and returned to Brazil. He was given a seven-year sentence for fiscal and other related crimes. In July 1996, out of prison, he was found dead with his girlfriend in his beach house. Allegedly, he was killed by his girlfriend, who later committed suicide. There are suspicions, however, that this story is not exactly as told in the investigations.

20. Nobre (1992) argued that it is naive to think that the impeachment was a congressional maneuver; the movement against Collor was also against his economic policy and the recession.

21. But Collor and Franco had been elected on the same ticket.

22. André Gorz's (1982) description of fascism shows a striking correspondence with Collor's passage through power.

23. In keeping with the long-established political culture of patronage, Collor can also be seen within the notion of "overdetermination," found in Marx, which Hall ([1985] 1996) identifies in the work of Luis Althusser.

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