

**DEVELOPMENT and
CRISIS in BRAZIL,
1930-1983**

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**The Dialectic of
Redemocratization and *Abertura***

The Revolution of 1964, which established a military regime in Brazil, consolidated technobureaucratic capitalism in the country, that is to say, a dominantly capitalist yet increasingly state-controlled social formation, based on the alliance between the bourgeoisie and the state technobureaucracy. Ten years later, in 1974, a process began that the government would initially call “distention” and later *abertura*.¹ In order to understand this slow and contradictory political process, through which, to a certain extent, a democratic regime was reestablished during the 1970s, we must first have a clear understanding of the political regime that was established and the social formation that was consolidated by the Revolution of 1964.

From 1974 until the present, the political process has been characterized by the dialectical relationship between the *abertura* directed by the government and the redemocratization demanded by civil society. These two processes are not radically contradictory, but serve different objectives. Redemocratization is not only the actual reestablishment of civil rights and the electoral process, but also the struggle for democracy that takes place within a society. *Abertura* is a process controlled by the military, giving in to the process of redemocratization, yet at the same time postponing it as long as possible in order to preserve military power.

The New Militarism

Once the authoritarian and modernizing military regime had been set up in Brazil in 1964, several other Latin American nations established military regimes (some of which have lasted until today) that sought to copy the Brazilian “model.” This fact has led many analysts to identify the Brazilian military regime on the one hand with such regimes

as those in Argentina and Chile, and on the other with those of General Alvarado in Peru or with General Torrijos in Panama.

In fact these regimes have certain points in common. The most important common characteristic is the fact that they are all the product of a "new militarism" that is technobureaucratic, modernizing, and Latin American. It is not the same as the classic militarism of the caudillos, because it emerges from armed forces constituted in the form of bureaucratic organizations, and therefore committed to authoritarian and developmentalist rationality. The Latin American "new military man" who has begun to become dominant in the postwar period in the most advanced countries of the region is a state technobureaucrat in uniform who combines developmentalist rationality and authoritarianism into the concept of national security. He is thus clearly distinguishable from the old Latin American caudillos who are oriented only toward maintaining in power the agrarian-mercantile oligarchies of which they form a part.²

The Brazilian military regime, however, has been rather more successful than some of its Latin American compeers, managing to remain in power for more than 18 years and, though it finally experienced a serious economic crisis, achieving high rates of economic growth throughout this period. During these same years, the Peruvian military regime has already fallen, and the Argentine and Chilean regimes have been leading their respective economies to deindustrialization and economic regression.

The failure of these regimes, in contrast to Brazil's success, can be explained in a number of ways. In the case of Argentina and Chile, the lack of a large industrial reserve army of the underemployed makes income concentration and the accumulation of capital difficult. In Peru, the military regime took power when the country still had only a very weak industrial base. The fundamental difference, however, has to do with the class alliances established in each country. In Peru the military technobureaucracy sought to establish an autonomous project (and a little bit later, through SINAMOS [Sistema Nacional de Apoyo a la Movilización Social] unsuccessfully attempted to win popular support). In Argentina and Chile, the military formed an alliance with the old agrarian-mercantile bourgeoisie, to some extent modernized by finance capital. In Brazil, however, the military technobureaucracy sought direct support from modern industrial and banking capital.

The alliance between the military technobureaucracy and industrial capital is the source of the Brazilian military regime's specific nature as well as its political strength, differentiating it from other Latin American regimes. This alliance did not become very well defined until about 1967. The military, under the UDN's influence, initially sought

on the one hand to ally itself with the state civil technobureaucracy, and on the other to win support from the traditional petty bourgeois middle classes and the agrarian-mercantile bourgeoisie. But the regime soon realized that industrial and banking capital were in the strongest position, and decisively allied itself with both sectors.

In fact, the military technobureaucracy was unable to stand alone or even together with the new salaried middle classes. In order to remain in power, it had no alternative but to unite with the dominant bourgeois classes. If it had not made this choice, its government, like that of Peru, would soon have fallen. However, it is important to know with which faction of the bourgeoisie one should ally. An alliance with a reactionary faction such as the agrarian-mercantile bourgeoisie, like those made in Argentina and Chile, offers better chances of remaining in power for a long time, but this alliance will not further a true process of capital accumulation and development.

The Strength and Weakness of the "Tripod"

The alliance between the military technobureaucracy and industrial and banking capital, which defines the nature of the Brazilian military regime, is also the key to its relative economic and political success. In 1964, Brazil already had a powerful industrial bourgeoisie that had set up a complete industrial park. The multinational industrial enterprises had been solidly established since the 1950s. Banking capital, which served as the link between mercantile and industrial capital, was modernized and integrated into the accumulation process. (I do not call banking capital "finance capital," as is commonly done, because finance capital is a merger between banking capital and industrial capital, under the former's leadership. This merger never occurred in Brazil.)

Yet this dominant bourgeois and multinational class was unable to direct the accumulation process through classic market mechanisms and liberal democracy. At this point, the state technobureaucracy, both civil and military, emerged as a rationalizing force that, allied with this class, consolidated an economic and political form new to Brazil: "state capitalism," or "technobureaucratic capitalism." This phenomenon, which is generalizing to all the industrialized capitalist countries, means a dominantly capitalist social formation that shows increasingly technobureaucratic characteristics.

Thus between 1964 and 1968 an authoritarian and exclusive "tripod" political pact was formed, based on the alliance of the state technobureaucracy with the local bourgeoisie and multinational enterprises. The strength of this pact lay in the fact that local as well as multinational capital was already dominantly industrial capital, and in the military

technobureaucracy's perception of this fact. Its exclusive nature was expressed in the radical exclusion of workers and broad sectors of the salaried middle class and petty bourgeoisie from political and economic power.³

Starting in 1974, it became clear that this exclusivity and lack of popular representation was one of the pact's major weaknesses. The other was that the economic and political control of the country was in the hands of the state technobureaucracy (both civil and military) and not in the hands of the bourgeoisie. Thus the social formation, which was dominantly capitalist, did not correspond to the political regime, dominantly military and consequently dominantly technobureaucratic. Though the military technobureaucracy understood that it would have to form alliances with the dominant industrial and banking capitalists, and make them the great beneficiaries of the system, it maintained its political control as the ruling group, also determining economic policy. The military's political tutelage over the bourgeoisie created a fundamental contradiction that, together with the lack of solid popular support due to its exclusivity, set off in 1974 a process of institutional crisis and also a process of partial redemocratization of the nation.

The Advances and Retreats of *Abertura*: 1974–1978

Starting in 1974, Brazil began to undergo a transition to democracy, yet in the middle of 1982, this process is far from complete. In this sense, the Brazilian *abertura* is *sui generis*. Political scientists who study Latin America have tried to establish relationships and analogies among the democratic transitions experienced in Portugal, Spain, Greece, Peru, and Brazil. Whereas in the beginning of the 1970s most studies focused on the nature of authoritarian regimes, it has now become common for progressivist political scientists to study the nature of the transition toward democracy. Though they seek to establish the similarities among countries involved in this process, Brazil's evolution in this direction is markedly different from that of the aforementioned societies.

There are many reasons for the particular nature of the Brazilian case, starting with the fact that in the other countries I have mentioned, the transition was a rapid one, whereas in Brazil it is very slow and contradictory. In the cases of Greece and Portugal, the transition implied a break with the constitutional order. In the cases of Spain and Peru, the process was planned, as it was also in Brazil. But in these four cases, the transition took place relatively quickly and completely, whereas in Brazil it has already lasted more than eight years.

In fact, while the Brazilian *abertura* is a real process of transition to democracy, it is also a strategy aimed toward the survival of the authoritarian military regime. It is a contradictory process, a dialectic between civil society's demands for redemocratization and the regime's procrastination.

In this process, which opens up a bit and then closes again, the military regime wants to make it appear that redemocratization is a gift it is bestowing upon society. On the other hand, it has to consider the conservatism of the bourgeoisie, so that *abertura* has to be a slow, gradual process. If it were not, there would always be the threat of a regression, because among the military there is a distinction between the "soft-liners" (generally called "Castellists" after the first military president, Marshal Castello Branco) and the "hard liners." What is curious, however, is that it is never possible to tell who's who among the Castellists and the "hard-liners," because, though it may have suffered an occasional superficial split, the bureaucratic unity of the army has remained essentially untouched since 1974.

In fact, this antagonism between the two groups is mostly a fiction created by the regime itself and kept alive by superficial observers. The hard-liners are systematically used by the soft-liners to threaten civil society and maintain the authoritarian regime. *Abertura* must be slow and gradual because it is threatened by the same military men who propose it.

At any rate, after the regime's institutionalization between 1964 and 1968 and the rigorous military dictatorship between December 1968 (when Institutional Act 5 was enacted) and the beginning of 1974 (when General Garrastazu Médici left the presidency), *abertura* was initiated.⁴ At this point, a first phase began during which President Geisel made promises of a "distention." However, with the government party's defeat in the November 1974 elections (with the MDB [Brazilian Democratic Movement] winning 14.5 million votes for its senators against the Arena candidates' 10.1 million votes), this process suffered its first crisis and its first closure, marked by the suspension of representatives' mandates in April 1975. The year 1975 was one of crisis, exemplified by journalist Vladimir Herzog's death by torture in October and by the ecumenical mass celebrated by São Paulo Cardinal Dom Paulo Evaristo Arns, the first mass demonstration against the regime.

Once General Ednardo D'Avilla de Mello was removed from the command of the São Paulo Second Army (the military torturers' headquarters), the *abertura* process took its first steps. Yet further suspensions of civil rights and the approval of the *Lei Falcão*" (a law designed to limit opposition candidates' appearances on television during

the 1976 municipal elections) clearly demonstrate that General Geisel's intentions in the direction of *abertura* were rather limited.

Despite the *Lei Falcão* the opposition made a considerable showing in the November 1976 municipal elections. It did not take long for the authoritarian regime to respond. In April of 1977, General Geisel closed Congress down for 14 days and enacted a series of amendments to the 1969 Constitution, designed to ensure Arena's majority representation in the 1978 general elections. The most salient of these measures was the creation of "bionic" senators, elected indirectly, which guaranteed Arena's automatic representation in almost a third of all the Senate seats.

This would be the regime's last authoritarian coup until 1981. As a result of the "April political package," the protests within civil society began to increase. The bourgeoisie, who had spoken out against state control since 1975, now began to support democracy directly. The Bar Association, journalists, intellectuals, students, and the Church raised their voices in support of the reestablishment of civil rights. In the 1978 elections, the MDB was again victorious in the Senate and almost managed to win a majority in the House of Representatives. The government had no other alternative but to accept the redemocratization in progress and further accelerate the *abertura*.

The lifting of press censorship between 1977 and 1978 was the first concrete sign of redemocratization. And finally, in June of 1978, President Geisel announced an "*abertura cronogram*," seeking to influence the elections and the members of the electoral college who were to select the new president of the republic. According to this timetable (as indeed did take place) his government would end by handing over his mandate to his successor, General João Batista Figueiredo. Institutional Act 5, which gave the president dictatorial power to suspend civil rights, censor the press, and close down Congress, was also annulled.

The Bourgeoisie's Withdrawal from the Authoritarian Political Pact

Once Act 5 was done away with on 31 December 1978, the country took a big step in the direction of redemocratization. This was clearly a victory won by civil society and, within it, the dominant class. Since the 1977 "April political package," the bourgeoisie had finally abandoned its authoritarian stance and opted for the nation's redemocratization. Whereas other sectors of society—the left intellectuals, workers, students, the Church, the salaried middle class, the petty bourgeois professionals—had been demanding redemocratization for a long time, the bourgeoisie's position favoring the restoration of civil rights was a new fact. It was

not only new but also decisive, and became the fundamental motive force behind redemocratization.

There is clear evidence that redemocratization was a victory of civil society, whereas *abertura* is an authoritarian strategy rather than the military's approach toward democracy, as they and their organic intellectuals would like to have us believe. A concrete indication of this is the fact that the June 1978 "*abertura* timetable" is, in the final analysis, a trade-off proposed by the military to civil society. Under pressure, the government agreed to do away with Act 5, but in exchange it required João Batista Figueiredo's election by the electoral college—that is to say, a guarantee that the same system would remain in power for at least six more years.

On the other hand, one can see how important the bourgeoisie's support of redemocratization was in making *abertura* inevitable for the government. The 26 June 1978 "Manifesto of the Eight," called the "First Document of the Entrepreneurs,"⁵ made room for students, lawyers, the Church, and workers to demonstrate more strongly in favor of the redemocratization for which they had struggled so long.

In fact, as I pointed out in a series of newspaper articles published between 1976 and 1978, what was taking place, particularly in 1977, was the collapse of the alliance between the industrial bourgeoisie and the military technobureaucracy.⁶ The basic idea developed in these articles was that redemocratization was inevitable, and not merely as the military regime's strategy to regain its legitimacy, nor as the natural liberalizing tendency of a capitalist regime like the Brazilian one, nor as the fruit of popular struggles for democracy.⁷ Though each of these explanations has some basis in reality, the essential new historical fact was the breakdown of the authoritarian capitalist-technobureaucratic pact of 1964, and the definition of a hegemonic political project by the bourgeoisie. Thus a "democratic social pact" was created within civil society, leading the nation toward redemocratization. The stability of the authoritarian regime depended upon the stability of the alliance between the military technobureaucracy and the bourgeoisie. The importance of the struggles for democracy of workers, students, intellectuals, and the *comunidades eclesiais de base* (base communities of the Catholic Church) is indisputable.⁸ But the new and decisive historical fact was that broad sectors of the bourgeoisie supported redemocratization.⁹

The Bourgeoisie and Authoritarianism

The hypothesis that the fundamental reason behind redemocratization is the industrial and petty bourgeoisie's breach of the authoritarian capitalist-technobureaucratic pact stems from a basic presupposition: that even though this class has a long history of pacts and political

covenants with authoritarianism, it is incorrect to assume that the bourgeoisie is inherently authoritarian. The hypothesis that the only alternatives available to a capitalist and industrialized society like Brazil are socialism and fascism no longer makes sense. This hypothesis was defended by the proponents of the "imperialist superexploitation interpretation" of Latin America, based on the idea that, given the exploitation to which the central countries subjected the Latin American countries, there was no other alternative for the local bourgeoisies but the authoritarian, fascist superexploitation of workers.

In reality, this interpretation exaggerates the imperialist exploitation of countries that have already reached a considerable degree of industrialization, like Brazil. It ignores the fact that imperialism's capacity to extract surplus from the peripheral countries tends to decrease to the extent that these countries become industrialized and define their own national objectives. In other words, this interpretation does not make a distinction between the old primary export imperialism and the new dependence of multinational industrial enterprises. Nor does it take into account that in an industrialized society like Brazil, the class struggle takes precedence over the anti-imperialist struggle.¹⁰

The mercantile (speculative and *latifundiária*) faction of the Brazilian bourgeoisie is intrinsically authoritarian. It has always depended upon mechanisms of primitive accumulation in order to appropriate economic surplus. This mercantile bourgeoisie, still dominant in many northeastern and central western states, is and always has been authoritarian, because it needs a strong state to realize its accumulation.

The industrial bourgeoisie, though far from being independent of the state, is not necessarily authoritarian for structural reasons: Its basic mechanism for the appropriation of surplus is surplus value. The entrepreneur's profit is thus realized in the market, through the classic exchange of equivalents, in which workers sell their labor power and capitalists sell their commodities in the market for their respective values. It was the domination of the surplus-value mechanism that enabled the central capitalist countries to become democratic during the nineteenth century. And this same process now makes it possible for a nation in an advanced stage of industrialization, like Brazil, to have an industrial bourgeoisie that is not necessarily committed to authoritarianism.

When pressured by the popular classes, the industrial bourgeoisie tends to adopt or accept a democratic posture, because it is a very numerous dominant class that needs institutionalized mechanisms to alternate power among the various groups and factions whose natural tendency is division. The industrial bourgeoisie is by nature a heterogeneous and divided class that unites and becomes authoritarian only

when seriously threatened. And democracy is an institutionalized mechanism that, given the bourgeoisie's ideological hegemony, permits power to move among its various factions without risking its dominance, even when a left party takes power.

The Military Regime's Loss of Legitimacy

The bourgeoisie began to break its authoritarian alliance with the technobureaucracy in 1975 with a campaign against state control and completed this partial breach in 1977, finally achieving the abolition of Act 5.

The basic reason for this change in the bourgeoisie's political position was the increasing loss of legitimacy on the part of the military regime in relation to civil society. Legitimacy is understood here to mean the support of civil society, which in turn may be defined as that part of the population that is organized into various classes, class factions, groups, and institutions with varying levels of political power. Legitimacy differs from representativity, the support of the "people," or all citizens, equal before the law. The regime's loss of legitimacy began in the early 1970s. The Brazilian military regime was never representative and certainly never democratic, but it did have the benefits of a certain degree of legitimacy until about 1974, to the extent that it could count upon the support of the class with the greatest political weight in civil society: the bourgeoisie. This legitimacy was based on two factors: the bourgeoisie's fear of a left revolution in Brazil and the regime's economic success. The threat of "communist subversion" was a fundamental justification of the 1964 *coup d'état*, because the bourgeoisie was in fact frightened. The economic success of the "miracle" justified subsequent Brazilian authoritarianism.

In the first years of the 1970s the last guerrilla *focos* were eliminated. The left became extremely cautious and took up the defense of democracy with much greater vigor than in the populist period. The bourgeoisie lost its fear of subversion, and consequently the authoritarian system lost a great deal of its legitimacy.

Also, the economic slowdown in 1974 revealed that the leaders' technobureaucratic omnipotence was not all it was thought to be. And finally in 1976 when the second National Development Plan was abandoned, two things became very clear: The state technobureaucracy was unable to overcome the movements of the economic cycle, and it could commit large errors in economic forecasting. The developmentalist legitimacy of the state technobureaucracy had received a severe blow.

Once the authoritarian regime had lost these bases of legitimacy its most obvious faults were clearly revealed: authoritarianism itself, and the concentration of income that had been confirmed by census data

and widely analyzed by economists critical of the government. The two thrusts of the opposition in the 1974 election were denouncing the dictatorship and exposing the effects of the concentration of income. The result was Arena's defeat, which took the party entirely by surprise. After the 1970 elections, Arena's leadership had felt that it would play the role of Brazilian PRI (Partido Revolucionario Institucional [Mexicano]). The regime's defeat in the November 1974 Senate elections dealt a deadly blow to the regime's legitimacy by making its lack of representativeness glaringly obvious.¹¹

It is no coincidence that the bourgeoisie's campaign against state control began in December of 1974 when liberal economist Eugênio Gudin, the father of neoclassical orthodoxy in Brazil, denounced the continuous growth of state enterprises. This criticism was greatly exaggerated and did not acknowledge the evident fact that the growth of the state enterprises was oriented strictly to stimulate (and never to compete with) private accumulation. Nevertheless, this criticism had its repercussions, was transformed into a political campaign, and became the bourgeoisie's first manifestation of opposition to the regime since 1964. In fact, once it became clear that the military regime was lacking in legitimacy, the bourgeoisie was quite prepared to listen to accusations against it. A classic liberal argument against state control was especially welcome. By fighting against state control, the bourgeoisie showed its dissatisfaction with technobureaucratic tutelage.

This tutelage had become increasingly difficult to accept because there was a decrease in the growth rate of the surplus to be divided up among capitalists' profits and technobureaucrats' salaries. Surplus is understood here as output exceeding necessary consumption, which in turn, in an economy like the Brazilian one, corresponds to total wages. Thus the GDP minus total wages equals surplus, which in turn corresponds to the sum of profits, interest, capitalists' rents, and top-level technocrats' salaries. This decrease in the growth of surplus originated on the one hand in the decreased growth of the GDP per capita, and on the other hand in the increase of workers' wages as a result of the change in wage policies after the November 1974 elections. Starting at that point, the rate of profit tended to decrease.

In a capitalist economy, a reduced rate of profit in a cyclical slowdown is a normal phenomenon. But in Brazil, the fact that the state has a great influence in the division of surplus gives this phenomenon an immediate political connotation. As long as the GDP continued to grow more than 10 percent, the eventual and necessary arbitrariness of state tutelage in dividing up surplus was acceptable. If some corporations received more special orders, or one industrial sector obtained more subsidies, or certain entrepreneurs received more favors, this was all

acceptable as long as everyone was making big profits. But once surplus was relatively reduced, the arbitrariness of the state's tutelage became much less acceptable. The 1975 campaign against state control clearly expressed a protest against the favoritism that would certainly be a part of the big second National Development Plan projects. Yet when the plan was abandoned in the second half of 1976, it was the entrepreneurs involved in the production of capital goods and basic inputs who were to form the nucleus of the entrepreneurial opposition to the authoritarian regime. They had received the greatest benefits from the second NDP, and no longer did once it was abandoned.

The Bourgeoisie's Project for Political Hegemony

It was not only negative reasons related to the government's loss of legitimacy that led broad sectors of the bourgeoisie to break their alliance with the state technobureaucracy in 1977 and support the struggle for redemocratization. At this point the bourgeoisie also formulated its own project for political hegemony—a project that could be carried out only within the framework of a democratic regime. The bourgeoisie, and especially the industrial bourgeoisie, wanted to shake off military tutelage and take command of the nation. The entrepreneurs renewed their efforts in this direction. The bourgeoisie wanted to be not only the economically dominant class, but also the political leadership.

Though this project was to a certain degree naive in that it sought to establish a linear relationship between economic and political domination, it nevertheless had a concrete basis in reality. Capital accumulation had been accomplished at a rapid pace since the 1930s. As a result, an immense entrepreneurial bourgeoisie had been formed. This class was made up of small, middle-sized, and large industrial and agricultural producers, as well as persons in commerce and other services. It increasingly replaced the old *latifundiária* and mercantile bourgeoisie. Though in lesser numbers, a *rentier* bourgeoisie also appeared, living off interest, rent, and dividends. This entire bourgeoisie espoused the classic capitalist ideology: economic and political liberalism; individualism; and the defense of "private initiative" as the only regime compatible with democracy, the valorization of entrepreneurial activity, and profit.

Aside from the fact that it more explicitly took on the political values inherent in its class position, the Brazilian bourgeoisie finally attained ideological hegemony over society. That is, to a great extent it succeeded in imposing its ideas upon other classes, including the middle-level technobureaucratic class. This class has its own ideology, based on technical rationality, planning, and economic development. Yet despite the importance these ideas have in modern societies, and the increasing

influence of socialist values of all hues (Christian, Marxist, social democratic, etc.) in Brazil, there can be no doubt of the widespread domination of bourgeois values. One fact that bears this out is that some of the better-known entrepreneurs have become new "heroes" of Brazilian society, rivaling government leaders, political opposition leaders, and popular musicians for the media's attention. Maintained by its control of the newspapers, radio, television, and the school system on all levels, the bourgeoisie's ideological hegemony not only assures that the democratic scheme of alternating political parties can be played out with no great risks, but also allows the bourgeoisie to carry out its project for political hegemony. Despite a series of obstacles which it must overcome, this project is in full gear today. It is probably the main factor that keeps the bourgeoisie interested in a fuller redemocratization of Brazilian society.

The 1977 Democratic Social Pact

Strictly speaking, the speedup that the redemocratization process underwent when Act 5 was annulled was a fruit of what I have called the "1977 democratic social pact."¹² Through this tacit, informal pact, civil society, outside the arena of class struggle, established a basic unity that made a partial redemocratization of the country possible. It was not a political pact, as it did not involve parties nor imply a strategy to take over power. Rather, it was a broader and more general phenomenon that I am calling a social pact. All democratic societies, independently of the class struggle in which they are involved, are based on a social pact similar to the one tacitly established in Brazil in 1977.

The Brazilian democratic social pact was based on three fundamental principles: (a) redemocratization, of interest to every class; (b) the maintenance of capitalism, of interest to the bourgeoisie; and (c) a moderate redistribution of income, of interest to workers and the left.

Redemocratization not only was of interest to the great majority of Brazilians, but now also became a conquest of this majority. It was naturally of interest to workers, intellectuals, and the salaried middle class. More recently, it began to coincide with the interest of the bourgeoisie on almost all levels (the petty as well as the middle-level and big bourgeoisie) and in almost all its factions except the speculative mercantile bourgeoisie. The latter, made up of the old agrarian-mercantile bourgeoisie and the new big bourgeoisie directly dependent upon special orders and state subsidies, continued to be authoritarian. This was also the case with the petty civil and military technobureaucracy in power, as well as with minority factions of all the other classes. These were

the social sectors that continued to support the government political party: Arena at the time, today the PDS [Democratic Social Party].

The principle of maintaining the capitalist system formed a part of the 1977 democratic pact almost automatically. At only one point in history, in the period immediately after 1964, did the left believe that it could come to power in Brazil. It was then not yet sufficiently mature and was incorrect in its appraisal of the Brazilian situation. In 1977, however, when the hegemony of bourgeois ideology became clear, the left understood that capitalism was here to stay, at least in the near future. Thus it reevaluated its time frame, placing redemocratization as its absolute priority for the time being as a step in the revolutionary process.

When the enormous degree of income concentration became apparent, the bourgeoisie began to see the moderate redistribution of income as one of its objectives. Income had been strongly concentrated since 1960, and statistical studies showed Brazil to have one of the highest concentrations among capitalist countries, developed or underdeveloped.¹³ Faced with the left's indictments of this concentration, the majority of the bourgeoisie began to accept the necessity to do something, especially with respect to wage policies, to slowly redistribute income.¹⁴

The Conservative Turn of the Bourgeoisie: 1979

Once the electoral college elected Presidente Figueiredo and Act 5 was abolished, there was a regrouping of the right, even though some steps in the direction of *abertura* were made (such as amnesty in 1979, and the establishment of the direct vote to elect state governors in the general elections of November 1982). This regrouping would weaken and perhaps paralyze redemocratization. At this point the bourgeoisie turned to the right, to the extent that it reestablished its alliance—though in a weaker and provisional manner—with state technobureaucracy, personified by President Figueiredo.¹⁵

There are various reasons that explain the bourgeoisie's conservative turn. First, once the president's special powers were done away with, the most important objective of redemocratization had been attained. From the perspective of many members of the bourgeoisie, educated in the principles of authoritarianism, all the democracy necessary or possible had already been implemented.

On the other hand, the election of the new president was clearly a victory for the military regime. At a certain point, the democratic opposition, backed up by civil society's democratic pressure, believed that it would be able to win over a significant number of the Arena representatives and senators and thus elect its candidate, General Euler

Bentes, to the presidency in the indirect elections. However, the government counterattacked, formulating an “*abertura* timetable” and threatening to tighten up the regime if it were defeated. Either because of this government strategy, or because the MDB’s candidate was also a military man who was unconvincing to the bourgeoisie without succeeding in dividing the military (in fact, he united them), the fact is that the bourgeoisie was further subdued and President João Figueiredo was obediently elected by the electoral college.

For the bourgeoisie, this election meant six more years of power for the same civil and military bureaucracy that had held power since 1964. Given the great dependence upon the state of the bourgeoisie, especially the big bourgeoisie and its main entrepreneurial leaders, it was necessary or at least convenient for the bourgeoisie to join forces with the governing technobureaucracy. This authoritarian and conservative turn is clearly demonstrated by the rapid acceptance of the government’s policies on the part of the board of directors of the FIESP (the bourgeoisie’s most important representative organ in Brazil), despite great expectations with respect to the board’s independence after its election in 1980.

It should also be pointed out that the government in its turn made great efforts to please the big bourgeoisie. This was the meaning of Delfim Netto’s designation as Planning Minister in August 1979. The fact that the state enterprises maintained their level of special orders of capital goods, and also kept up extensive subsidies to capital accumulation, at a time when the state’s global budget deficit reached unprecedented levels and deepened an also unprecedented inflation, is further evidence of the government’s efforts to please the bourgeoisie. In 1981, when recession became inevitable because of errors in economic policy, the industrial bourgeoisie suffered, but the financial bourgeoisie greatly benefited. And even in the industrial portion of the economy, the monopoly sectors controlled by multinational capital and the local bourgeoisie managed to increase their profit margins during the recession and obtain compensatory profits, as can be shown from financial reports they published in the first half of 1982.

The president also made many more trips outside the country, inviting a curious court of entrepreneurs. Although the formal justification given for these trips was the possibility of making commercial contacts, in fact they were a form of public relations for the government, giving business leaders the chance to manifest their homage to the president.

The increased expression of the union movement in 1978, 1979, and 1980 was also a factor in the bourgeoisie’s tightening up of its alliances with the government. Especially in the ABC¹⁶ region, the nation witnessed large strikes in 1979–1980 under the leadership of Luiz Ignácio da Silva (“Lula”). Though nonviolent, these strikes both surprised and threatened

the bourgeoisie. The bourgeoisie was initially disposed to carry out direct negotiations with workers and accept their strikes, but when these same workers showed a greater determination than was expected, the bourgeoisie became frightened and finally appealed to the government to repress the strikes.

The Reclosure of the System: 1980–1982

Given this new conservatism on the part of the bourgeoisie, the government felt strong enough to make authoritarian moves to dissolve the opposition party, whereas the democratic thing to do would have been simply to allow the creation of new parties without dissolving the old ones. A successful strategy was developed to divide the opposition, with the creation of the PMDB [Party of the Brazilian Democratic Movement], the PP [Popular Party], the PDT [Labor Democratic Party], the PTB [Brazilian Labor Party], and the PT [Workers Party], along with the PDS [Democratic Social Party].

The PMDB is a continuation of the MDB, bringing together the middle bourgeoisie, the middle class, and workers. The PP is the liberal democratic party, which attracted the upper bourgeoisie but ended up merging with the PMDB when, in November of 1981, the government prohibited crossing over party lines in the elections, impeding the alliance of opposition parties. The PDT is a party with a social-democratic mission, strong only in the states of Rio de Janeiro and Rio Grande do Sul. The PT is a new political phenomenon, created from the alliance of union leaders with representatives of the *comunidades eclesiais de base*. It is small party, democratically oriented to socialism. It shares with the PMDB the support of left intellectuals. The PDS is Arena's authoritarian successor, and the PTB gives auxiliary force to the government.

On 30 April 1981 the Riocentro terrorist attack was carried out by army members to forestall the left's May Day demonstration. The army was united in support of those who carried out the attempt, with the First Army's commander present at the funeral of one of those involved. The president found himself in a very weak position to investigate and punish those responsible, and this episode marked a further closing up of the political system. General Golbery do Couto e Silva's resignation further emphasized the move in this direction.

This process, based on the bourgeoisie's conservative turn in 1979 and the Riocentro episode in May 1981, would express itself in the "November 1981 electoral package." This package established that all votes were to be along party lines, prohibiting party alliances. According to this clumsy electoral maneuver, which was designed to divide the

opposition parties formally, a voter could vote only for the candidates of one party, from city councillor and mayor on up to representatives, senators, and the governor.

This closing-up process was further delineated when, despite the electoral measures taken in November 1981, the government foresaw defeat in the November 1982 elections. In June of 1982, the government decided to (a) freeze the Constitutional Charter authorized in 1969 by the military junta, ordaining that it could be changed only by a two-thirds majority; and (b) establish a new makeup for the electoral college that would elect the president of the republic in 1985, guaranteeing a greater weight to the smaller states' votes (which it hoped to control) and seriously violating the principle of representation.

Electoral Prospects and a New Populism: 1982

It is within this context of a relatively closed political system, yet with the expectation of an opposition electoral victory, that the year 1982 should be viewed. On the one hand, the PMDB has emerged as an alternative, denouncing the illegitimacy, authoritarianism, corruption, and incompetence of the government. On the other, the PDS has taken an increasingly populist position, seeking some popular support, while at the same time the government has adopted the authoritarian measures previously described.

If the opposition wins in the November 1982 elections, obtains a majority in the House of Representatives, and elects governors in several of the important states, it is clear that some moments of political turbulence can be expected in 1983. The military regime's authoritarianism is not enough to keep it in power. Though it would like to remain indefinitely, it has lost both its legitimacy and its representative nature. One must also consider that the nation is undergoing a grave economic crisis. If in fact there is a conservative turn on the part of the bourgeoisie, this does not necessarily mean the reestablishment of the 1964 alliance.

On the other hand, it is important to remember that through the years the PMDB has become a valid alternative in Brazil, to the extent that it avoids any radicalization to the left. Today it is a multiclass, mass party that brings together progressive sectors of the bourgeoisie and middle class, as well as broad contingents of workers. It is essential for there to be a valid alternative in order for the authoritarian military regime to be overcome, so that in the dialectic of *abertura* and redemocratization, the final weight will swing toward redemocratization.

Yet the opposition's victory in the November 1982 elections is not yet clear. Aside from discriminatory measures in the voting laws, the

government has also set its entire electoral machine working. All the government offices and state enterprises not only invest vast sums in electoral propaganda but do all else in their power to favor the PDS candidates.

The government has understood since 1979 that only effective social changes could help its party attain some degree of popularity. It has made these changes, defining a new kind of authoritarian populism. It is not merely that President Figueiredo has tried to change his image as the ex-leader of the National Information System. Rather, a whole new populist social policy has been implemented. This policy established a wage law in 1979; increased land distribution to squatters through the National Agrarian Reform Institute (though it obviously did not carry out any type of agrarian reform), reducing to five years the time required for squatter's rights to take effect; subsidized agriculture; and increased spending on social consumption, especially housing and urban and rural electrification.

Conclusion

Whatever the results of the 1982 elections, it is important to point out that redemocratization has still not reached its completion in Brazil. Though it no longer has special powers, the government continues to threaten civil society with their reestablishment. At the same time, it uses its majority in Congress to make laws that discriminate openly against the opposition.

However, it cannot be denied that a redemocratization has been taking place, a process whose causes and dynamic we have sought to analyze in this work. It is important to make sure that the interpretation laid out here not be confused with (a) the strategic authoritarian interpretation; nor (b) the liberal bourgeois interpretation; nor (c) the popular basis interpretation. In other words, partial redemocratization was not (a) the result of a mere survival strategy by the military regime; nor (b) the natural evolution of capitalist society, which necessarily tends to become more democratic; nor (c) the consequence of popular struggles for democracy.

Our interpretation, formulated and reformulated throughout the redemocratization process, has several points in common with the above interpretations. But it also emphasizes the break in the alliance between the technobureaucracy and the bourgeoisie, and points to the existence of the tacit democratic pact of 1977, still existent today, despite many difficulties. These are the new facts that, occurring within the context

of the military regime's progressive loss of legitimacy, explain redemocratization. Its dynamic can be summed up as the dialectic, until now permanent, between the demands of civil society to deepen the redemocratization and the government's strategy to control and postpone its *abertura*.