Conclusion

This conclusion has four tasks. Its starting point is a brief summary of the book’s findings. The discussion then moves to the argument’s broader ramifications. I begin by considering the price Brazil pays for dysfunctional political institutions, spotlighting the economic crisis triggered by the Asian and Russian debacles of 1997. I suggest that President Cardoso’s political tactics—his survival strategy—magnified the effects of the crisis. Cardoso’s tactics, however, were not merely his idiosyncratic approach to the presidency. Instead, they reflect a rational, almost inevitable response to Brazil’s institutional context. The third section of this conclusion considers the reform of Brazil’s political institutions. These institutions, I have pointed out, produce an excess of veto players.1 This excess is not just a question of the number of parties needed to make a legislative majority. More broadly, Brazil’s destructive, majority-constraining federalism, coupled with presidentialism and with the nation’s electoral rules, creates the excess. Can stronger parties reduce the number of veto players? If so, can Brazil strengthen its parties? What lessons should be taken from the experience of other Latin American countries that have recently reformed their institutional structures, including Colombia, Venezuela, and Bolivia? The final section considers the implications of this work for the study of comparative politics. I appraise the substantive significance of Brazil’s institutional struggle for reform in other settings, assess the methodological limits of the case study, and offer a research agenda for the future.

I. The Story Summarized

This book has made the case that a good part of Brazil’s political problems stem from the design of its institutions. Under normal conditions, these institutions produce a very high number of veto players. As a result, they hinder the adop-

1. In general, the interaction of high degrees of ethnic heterogeneity (or some other basis of complex social cleavage) with electoral rules “naturally” produces a large number of parties
tion of policies that deviate from the status quo—that is, policies that innovate. Prominent among these malfunctioning institutions are the electoral system, the rules of party formation, the nature of the presidency, and the separation of powers between the central government, the states, and municipalities. The book’s substantive argument began with the electoral system. That discussion came to a double conclusion: open-list proportional representation (PR), as it functions in Brazil, is extremely democratic in the sense that all societal cleavages receive equal treatment and that the rules favor neither class nor community. But flexibility and evenhandedness come at a price. Open-list PR personalizes politics, and the system weakens party control over politicians both on the campaign trail and in the legislature. Ties between voters and deputies remain weak, and parties struggle to aggregate societal interests into anything resembling a coherent program.²

In open-list PR, electoral strategies reflect a unique kind of competition. At times candidates compete over ideological space, but more often their fight is really over geographical, physical space. Candidates seek municipalities whose voters and leaders will give them support. I expressed the outcomes of the fight for space in a simple taxonomy, one combining vertical penetration of municipalities ("domination") with horizontal coverage ("contiguity"). By means of this taxonomy, I classified deputies as concentrated-dominant, concentrated-shared, scattered-shared, and scattered-dominant. Deputies with certain kinds of occupational backgrounds and with varying political histories tend to concentrate in each of these categories. Local mayors, for example, have concentrated vote distributions, while businessmen more often find their support in scattered patterns. In pork-dependent and patronage-oriented regions of the country, deputies get most of the votes cast in the municipalities contributing a substantial part of their personal vote, while deputies in other regions deal with much higher levels of interparty and intraparty fragmentation.

To deepen our understanding of this unique electoral system, I then considered issues central to contemporary political debate in Brazil: malapportionment, corruption, accountability, and party building. São Paulo is more than fifty seats short of its proportionate share of the Chamber of Deputies, while states in the Center-West and North, mostly frontier regions, have far too many

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² For a general theoretical discussion of this issue, see Shepsle 1988.
seats. At times it is taken for granted that conceding São Paulo its just share will move Brazil’s political center of gravity sharply to the Left. It turns out, however, that under reasonable assumptions about the voting behavior of new deputies—given the weakness of party discipline in Brazil—radical expectations should be tempered. Under true proportionality, some important votes in the National Constituent Assembly would have turned out differently, but the majority of outcomes would remain unchanged.

The outbreak in 1993 of an extraordinary corruption scandal offered the chance to test the practical importance of the vote-distribution taxonomy. The deputies accused of corruption overwhelmingly tend to be the scattered-dominant type, reflecting their efforts to make deals with local political bosses. A German-type reform, with half the legislature elected in single-member districts and half under closed-list PR, would almost certainly retire these corrupt types from the legislature.

Brazil’s electoral system gives new meaning to the oft-used term *special interests*. Open-list PR facilitates what is really self-representation—that is, the tendency for certain deputies to represent their personal economic interests or the interests of very narrow economic sectors. The so-called rural caucus represents not the interests of the voters who put these deputies into the legislature but the personal interests of deputies holding rural property. To say the least, this representational style is far from the usual meaning of accountability.

Chapter 1 then turned to an examination of the effects of the electoral system on the building of political parties. Brazil’s high levels of null and blank voting tell us something about the electoral system. In constituencies where all candidates get small proportions of their personal vote, individual campaign efforts are likely to be minimal. Because no one cares enough to campaign, voters lack sufficient information to choose. But anger matters as well: with corruption scandals, perennially high inflation, and an impeached president, voters express their feelings about politics not by staying home but by defacing their ballots.

Though Brazil has parties with considerable organizational strength at municipal and even state levels, at the national level one can hardly call them political parties. Parties have difficulty forming coherent programs in part because the system encourages multiparty alliances. Right-wing parties ally with center parties in some states and with left-wing parties in others. In the 1994 presidential election, the PSDB, a supposedly center-left party, made two strange but successful deals: one deal linked the PSDB and the PFL, a far right party with a neoliberal wing and a pork-barrel wing; the other united the PSDB and the PTB, a party with only pork-barrel types.
Chapter 1 concluded with another look at the spatial taxonomy of voting bases. One category, deputies with concentrated-shared distributions, seems to be increasing in frequency. Such deputies appeal to broad social strata in particular local communities. Because their vote is concentrated, they are likely to identify with these communities, but these deputies also face significant political opposition. Increases in the number of concentrated-shared deputies may thus presage an upsurge in efforts at pork delivery. But at least such deputies have to pay attention to the communities where they get votes, and at least they have to compete with other candidates for these votes. It may not be much, but it might be the beginning of accountability.

Chapter 2 developed and tested a theory explaining the electoral strategies of candidates for the Chamber of Deputies. In place of the usual discussion of the traditional, clientelistic roots of electoral strategy, I began with the assumption that rational politicians behave strategically. Faced with an electoral system whose chief attributes include open-list PR, large multimember districts, candidate selection at the level of politically active subnational units, and the possibility of immediate reelection, most deputies pay little attention to ideological appeals. Instead, legislators seek to build walls around their bailiwicks so that no other candidates will enter. Candidates search for vulnerable municipalities, especially those free (at least temporarily) of boss control, and strive to overcome electoral weakness by delivering pork to municipal targets. Strategic candidates do not behave identically, because their political backgrounds vary and because the differing demographic and economic contexts of Brazilian states reward some tactics and penalize others.

What is the significance of these results? Consider the principal-agent relationship between voters and deputies. Brazil’s electoral system hinders voter control. It forces candidates to seek single-issue niches, to spend lavishly, and to make deals with contenders for other offices, contenders with whom the candidates share nothing. In part because they learn little about the importance of national-level issues, rational voters back candidates based on their pork potential.

The combination of pork-seeking incentives and the state-centeredness of Brazilian politics may mean that the overall pork-seeking propensity of Brazilian legislators is still growing. Deputies in more industrialized, wealthy states face more competition from candidates of other parties but also have more concentrated vote distributions. In such constituencies, higher levels of education and wealth raise voter interest and involvement in politics. Greater awareness in turn magnifies deputies’ incentives to seek pork. At the same time, the demand for local benefits contributes to higher turnover rates and thus to lower seniority levels.
Chapter 3 explored differences in domination and concentration, the two main dimensions of individual congressional vote bases, across states and over time. Throughout the 1978–94 period, domination was higher in the Northeast. In that region deputies are more likely to get most of the votes cast in their vote bases not merely as a function of widespread poverty but also as a consequence of the combined effects of a tradition of pork-barrel politics and the presence of so many political families. Spatial concentration, conversely, is essentially a function of demography. Voting support was more scattered in states where winning a seat was difficult without votes in the capital, because deputies from the interior were forced to seek votes in the capital as well.

How have domination and concentration changed over the course of these five elections? The general decline of domination results from three factors: the population’s increasing political awareness, the explosive growth of cities (which are simply harder to dominate), and the changing occupational backgrounds of new congressional contestants. The number of candidates with business and bureaucratic backgrounds has risen, while local and state politicians are in decline. This changing occupational mix, itself a consequence of the growing importance of money in campaigning, contributes to the fall in electoral domination. Changes in spatial concentration are less clear. Concentration increased immediately after the 1978 election but seems to have stabilized in more recent contests. Concentrated electoral distributions are advantageous to deputies, so new contestants—though many come from occupational backgrounds linked to more scattered vote distributions—are gradually “socialized” into veterans’ campaign tactics.

In chapter 4, the investigation moved from quantitative models to a set of case studies designed to explore the interaction among economic and demographic factors, political competition, and extraordinary political events. The cases included Paraná and Santa Catarina in the more developed South and Maranhão, Ceará, and Bahia in the less developed Northeast. Paraná and Santa Catarina are two relatively wealthy neighbors, but their politics are quite distinct. Paraná—at least until the recent ascendance of Jaime Lerner—has been essentially leaderless, with highly localized competition for elected office, a weak legislature, very high turnover of both state and federal politicians, and strong parties on the political Left. Santa Catarina, by contrast, has a definable political oligarchy that has been stable since World War II. Though the state is more industrial than Paraná, Santa Catarina’s Left has traditionally been weaker.

Demography seems to be the key difference between Santa Catarina and Paraná. In Paraná, powerful migratory flows from other states and from other
countries created subregions with distinct political orientations. Paraná’s center—the area around Curitiba—is relatively unimportant in either demographic or political terms. The state’s economy has such vigor that political careers are a less desirable alternative. Paraná’s political leaders lack strong roots in their state. The state delegation in the Chamber of Deputies has too little collective seniority to give Paraná national influence. Moreover, Paraná’s population elects very localistic deputies, so pork delivery becomes the litmus test of electability.

Maranhão, Ceará, and Bahia display a quite different politics. In all Brazil, no state-level leaders have the clout of Maranhão’s José Sarney or Bahia’s Antônio Carlos Magalhães. Ceará, conversely, lacks politicos with the power (and flair) of Sarney or ACM, but political competition has changed dramatically over the past ten years with the overthrow of Ceará’s “colonels” and their marginalized from politics.

Ceará’s three cliques of colonels had it too easy. They divided up the state, building corrupt political machines through traditional modes of rural dominance. Eventually, when urban growth made Fortaleza a dominant weight in Ceará’s electorate, the bosses were history. The PMDB leaders who began Ceará’s electoral revolution implemented policies benefiting ordinary people, and the old bosses suddenly found they could no longer buy enough votes to stay in power.

Sarney became a dominant figure in Maranhão essentially because he was the first politician to improve infrastructure by taking advantage of central government largesse. At the same time, Sarney was never able—perhaps never cared—to eliminate opposition. Though he was the state’s most powerful politician, his protégés usually deserted him, and politicians could prosper in opposition. Sarney’s margin of preeminence remained slight until he became Tancredo Neves’s vice presidential running mate, and then, on Tancredo’s death, president. Maranhão’s share of central government pork subsequently rose to extremely high levels. Sarney took care of his family politically and got himself elected senator from a neighboring state.

Bahia’s Magalhães was far more than a traditional political boss. He dispensed favors, made and broke political careers, and amassed great wealth, but he also modernized Bahia’s infrastructure and encouraged industrial growth. ACM had very strong support from the military regime, but his success continued even after the generals withdrew because he had used central government resources to create a political machine based on bureaucratic power. When José Sarney inaugurated the New Republic in 1986, ACM’s support was indispensable to Sarney’s political survival. Itamar Franco and Fernando Henrique Cardoso found themselves in the same situation of dependence. So ACM’s re-
gional influence became national influence, and he remained the most powerful politician in the Brazilian Congress.

Brazil’s electoral system, coupled with federalism and the executive authority’s long-standing reliance on patronage and pork, produces a very large number of veto players. Part 2 of this book shifts the inquiry to these veto players’ ultimate battleground, the arena of executive-legislative relations. The premise of this section is that an excess of veto players, not merely in partisan terms but also in terms of state, municipal, and corporate interests, leads to legislative obstructionism. This obstructionism can have three causes: an excessive number of parties (partisan fragmentation), procedural roadblocks, and a surplus of members with little interest in broad legislation. Chapter 5 investigated deputies’ interests and motivations, searching for the determinants of voting patterns in the mix of constituency pressures, ideology, electoral needs, and local interests.

The chapter explored deputies’ motivations by modeling voting in the Constituent Assembly of 1987–88 and on President Collor’s emergency decrees of 1990. Deputies with more clustered votes tended to be pro-Congress, antiexecutive, supportive of state intervention and welfare, and supportive of popular democracy. These positions, I believe, result from the greater accountability produced by vote clustering. Dominant deputies, by contrast, backed the executive and opposed a stronger Congress, and dominance gave deputies the autonomy to dissent from their parties’ mainstreams. The socioeconomic characteristics of constituencies influenced congressional voting only modestly: industrial areas elected more liberal deputies. Overall, however, socioeconomic conditions forged only weak ties between voters and deputies. Brazilian citizens exert pressure for pork-barrel programs but on broader issues have little control over representatives. Ideology played an important role in legislative voting. Former members of the pro-military ARENA party were consistently anti-Congress, proexecutive, and antilabor, and their votes expressed less support for popular democracy.

The most striking finding, without question, was the importance of pork-barrel orientation as a determinant of broader positions. In the Constituent Assembly, deputies could be bought, or at least rented: deputies receiving public works for their bailiwicks were proexecutive, anti-Congress, antilabor, and reluctant to support popular democracy. The importance of direct benefits to deputies speaks volumes about the weakness of the linkage, on issues of national scope, between voters and their representatives.

Chapter 6 focused on a challenge faced by every Brazilian president. Simply posed: how can a president maintain consistent support in the Congress? In
some countries, presidents build legislative support by mobilizing citizens to pressure parties and deputies. Such tactics would generate little response in Brazil, because ties among voters, deputies, and parties are so weak. Instead, presidents corral support with political jobs and pork-barrel programs. The most important political jobs are those in the cabinet itself: not only do cabinet members control the distribution of lower-level jobs and municipal-level programs, but they also provide a channel for the representation of party and regional interests. Cabinet appointments, in other words, reassure politicians that their concerns will reach the president’s ear.

My examination of the cabinets of Presidents Sarney, Collor, Franco, and Cardoso demonstrated that presidential strategies vary across and within administrations and that cabinet construction, from an outsider’s perspective, is not always strategically optimal. Collor, for example, installed a curious mix of friends, technocrats, and politicians without clout. Franco’s cabinet included a large component of personal friends, allies who often served the president poorly. In fact, the great success of Itamar’s administration, the Plano Real, came only after the president was effectively marginalized by the economic team assembled by Minister Cardoso. Only Sarney, it seems, came close to maximizing each appointment’s value.

Chief executives cannot govern without intermediaries with clout in the legislature, so presidents continually face subordinates with their own political agendas. None of Brazil’s presidents was immune from the effects of ministers whose personal survival strategies ran counter to those of the chief executive. Collor had to deal with an education minister with gubernatorial ambitions. Franco quarreled with a minister of social well-being. Stories of second-echelon personnel whose policies depart from the interests of their superiors—the so-called principal-agent problem—are commonplace, of course, in every bureaucracy. But in Brazil these disloyalties reduce the efficiency of the distributional policies executives use as the glue of coalitions. Because distributional policies are less efficient, they must be larger. The system, as a result, is even more likely to generate pork at the expense of national-level policies.

Chapter 7 assessed the success of presidential coalition-building strategies by examining the role of legislative party leaders. As in other legislatures, Brazil’s party leaders negotiate over the substance of legislation, mediate between deputies and executives, and help distribute pork and jobs to party faithful. The key question at the heart of current debates about Brazilian politics concerns party leaders’ authority over their members. Do leaders have authority only on a case-by-case basis, or is their authority absolute over some medium-
or long-term period? The chapter’s answer lay in a model of the conditions leading deputies to defect from their party majorities. Applied to Brazil’s six major parties in the years between 1991 and 1998, this model of cooperation and defection provides persuasive evidence that party leaders lack the power to compel cooperation. Leadership voting recommendations sometimes yield greater cooperation. But because these recommendations have no more effect on crucial, highly contested votes than on uncontested votes, and because such recommendations have much less influence than constituency characteristics or pork-barrel spending, party leaders ultimately seem impotent.

Deputies who are weak electorally and whose constituencies are geographically concentrated tend to cooperate at higher rates. Electoral weakness, it seems, makes deputies reluctant to surrender the benefits of the party label, because that label defends them against competitors inside and outside their parties. When a deputy’s constituents are geographically concentrated, they are more likely to demand results, typically in pork, from their deputies.

Legislative obstructionism stems not just from deputies’ motivations but from partisan fragmentation and procedural rules as well. Chapter 8 began with a foray into budget making. The Chamber’s budgetary process turned out to be, in Keith Krehbiel’s terminology, essentially distributive rather than informational. Some rules governing the distribution of budgetary largesse were crude: the chief beneficiaries of budgetary amendments, for example, were members of the Budget Committee itself. Its senior members did extremely well in pushing through amendments rewarding their bailiwicks. Other rules were more subtle: the Budget Committee, for example, also operated under a norm of intraparty solidarity, rewarding those who did not threaten other members of their parties.

Chapter 8 mapped the policy process through a brief series of legislative histories. The pivot of the investigation, the colégio de líderes, seemed to be the single institution capable of reducing the legislature’s inevitable tendency toward chaos. It appears, however, that the colégio plays this role only under very special circumstances. Coordination by party leaders occurs mainly when issues are unidimensional (another way of saying that compromise is easy), when parties perceive direct interests as parties, and when failure to resolve an issue poses a threat of real electoral losses. Absent these conditions, deputies extract a high price for their support, and interest groups wield influence far out of proportion to their size.

In addition to the dimensionality and the salience to the executive of an issue, what other factors facilitate legislative agreement? The conventional wis-
dom in Brazil holds that the widespread search for pork hinders policy-making on all kinds of issues. In the sense that deputies fixed on delivering pork may care little about broader legislation, the criticism is correct, for only a minority of legislators participates actively in legislating on broad issues. In addition, the generally poor quality of staff—a function of the deputies’ distrust of independent specialists—surely hinders lawmaking. But when each party is coherent and disciplined, a multiparty legislature will have a much more difficult time passing laws. As George Tsebelis (1995) shows, the broader the distribution of views within a party, the wider the range of policy alternatives it finds acceptable and the easier it is to put together a multiparty agreement on policies deviating from the status quo. If each of Brazil’s current parties had the discipline and coherence of the PT, the legislative process would truly be chaotic. However, what if pork becomes less available but the rules continue to discourage programmatic parties? Under this scenario, the number of pork-oriented, community-based deputies would decline, and more deputies would rely, by necessity, on ties to “corporativist” organizations—that is, on ties to groups representing quite narrow economic interests. The resulting legislature might well be less obstructionist in the sense of responding to localistic demands, but it would also be more conflictual and less responsive to executive guidance.

II. The Cost of Brazil’s Deadlocked Political Institutions

In Brazil’s post-1994 macroeconomic stabilization program, the Plano Real, an overvalued currency always played a central part. By encouraging imports, the strong real kept downward pressure on domestic prices. It drew in foreign capital, helping finance the nation’s substantial merchandise trade deficits. The strong real also minimized the impact of the huge fiscal deficits—especially the pension system deficits—of the states and the central government, which amounted in 1998 to more than 7 percent of gross domestic product.

In the absence of a serious attempt at fiscal reform—Cardoso sent no significant tax-reform bills to the Congress during his first term—the stabiliza-

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3. Tsebelis (1999) shows that the number of important laws passed in different parliamentary systems is an inverse function of the number of parties in government, the ideological distances among them, and the cohesion of each one of them.

4. More abstractly, one might argue that open-list PR, as it functions in Brazil, encourages the development of undisciplined and nonprogrammatic parties both directly, through laws such as those guaranteeing incumbents an automatic place on the ballot, and indirectly, by facilitating the election of deputies who have little interest in strong parties and great interest in pork.
tion scheme could stay afloat only as long as foreign investors maintained their faith in the real. The plan survived the Asian and Russian economic crises of 1997 because the government spent hard currency reserves, cut expenditures, increased taxes, and raised domestic interest rates from about 20 percent to more than 40 percent.\(^5\) These measures, economists predicted, would cut projected growth in 1999 from a bit under 1 percent to \(-2\) percent.\(^6\) Unemployment surpassed 20 percent in 1999 (\textit{Latin American Regional Report} 1999a, 5).

By early 1999 the strong real proved unsustainable. The trigger was a decision by the newly elected governor of Minas Gerais, Itamar Franco (former president and now enemy of Cardoso), to suspend payments on Minas’s debts to the central government. The collapse of confidence in Brazil’s economic program on the part of foreign investors and speculators was so complete that $200 million per day was flowing out of the country by the middle of January. On January 15 the government belatedly let the currency float. By February 15 the real had moved from 1.30 to 1.98 per dollar. After weeks of negotiation, the administration and the International Monetary Fund concluded a new rescue plan. The accord projected inflation of 16.8 percent, a 3.5–4 percent fall in the gross domestic product, and annual interest rates of 28.8 percent (\textit{Folha de São Paulo}, March 12, 1999).

Although the administration’s retreat from tax reform bears part of the blame for the collapse of the stabilization program, the failure to cut expenditures is even more significant. The Cardoso government initially profited from the Asian crisis, using it to pressure the Congress to approve administrative-reform (which ended lifetime tenure for civil servants) and pension-reform proposals. But the measures ultimately passed were too little and too late. Though both reforms had been centerpieces of Cardoso’s campaign platform when he won election in 1994, neither became law until 1998, and neither took effect until 1999.

How costly was the long delay in administrative and pension reforms? In the case of administrative reform it is difficult to estimate, because government savings depend on the number of employees ultimately terminated. However, it is illegal for states to spend more than 60 percent of their budgets on personnel.\(^7\) At the end of 1998, seventeen of twenty-seven states, averaging 72 per-

\(^5\) Reserves fell from $44.28 billion in 1997 to $34.43 billion at the end of 1998 (“\textit{International Financial Statistics},” CD-ROM. International Monetary Fund 1999).

\(^6\) This prediction was made by the economic research institute at the University of São Paulo (FIPE), cited in \textit{Latin American Regional Report} 1999a, 5.

\(^7\) This prohibition, approved by the Congress in 1995, is known as the Lei Camata. States that surpass the legal maximum lose central government transfer payments.
cent of all expenditures, passed that limit (Sabino 1999, 46). If the state could simply cut spending to the legal limit, it would save $5 billion. The pension reform finally approved at the beginning of 1999 will reduce the central government’s fiscal deficit by somewhat less than 1 percent of gross domestic product annually (Latin American Regional Report 1999b, 5). The first version, sent to the legislature in 1995, would have saved substantially more, though no precise estimates exist. Thus the ultimate reform was weak as well as tardy.

Passage of administrative and pension reform took the entire legislative session because of a tactical decision by the executive. In early 1995 the government decided its first priority was a constitutional amendment permitting the president’s reelection. During the long negotiations with the Congress over reelection, the process of building a congressional majority for administrative and pension reform came to a complete halt and resumed only after the January 1997 approval of the reelection amendment. In retrospect, of course, the president’s priorities proved costly, but his tactics raise more difficult and interesting questions. Why did negotiations on other issues stall while the president constructed his supermajority reelection coalition? Does the ability to seek reelection give a president a substantial bargaining advantage?

Ultimately, only Cardoso can explain his emphasis on reelection at the expense of other reforms. Negotiating all the reforms simultaneously would be possible only if similar coalitions supported all three. If the coalition backing reelection was unrelated to the pension and administrative reform coalitions, then separate deals would be unavoidable. Such seems to have been the case: pension and administrative reform can be seen as tests of support for the Cardoso administration, but reelection had fundamentally different implications. Since the amendment allowed the twenty-seven serving governors to seek reelection, they inevitably became central players in reelection bargaining. Deputies felt the pressure of their governors’ interests, but deputies had their own interests as well. Gubernatorial reelection would block some deputies’ po-

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8. After an exhaustive study of the pension reform process, Maria Antonieta Parahyba Leopoldi reached this conclusion, but there were as many estimates of savings in the early version as there were bureaucratic actors involved. Personal communication, March 13, 2000.

9. Thomas Skidmore, a noted Brazilian historian, criticized Cardoso’s decision to seek reelection in the strongest possible terms, arguing that it prevented him from consolidating the stabilization program and pushing through a political reform (see Gramacho 1999).

10. Separate deals could be avoided if all inducements were purely individual, e.g., a sum of money to each dissenter. But deputies organized into ad hoc bargaining units, like the rural caucus, which cut across parties. Simultaneous negotiation of all three issues would effectively reward dissenters.

11. I am indebted to Tim Power for help on the reelection issue.
litical ambitions, while other deputies would benefit from their patrons’ retain-
ing power.\textsuperscript{12}

Having decided to separate reelection from other reforms, the executive then faced the question of sequencing. The president and his advisers may have expected the reforms to require a short negotiation process. The administration could choose to begin with the issue that would take the longest to negotiate. Reelection would be the most expensive in terms of political capital, but, once the amendment passed, the likelihood of the president’s reelection would increase his leverage in negotiations over administrative and pension reform. The latter issues could only decrease presidential capital, since they would have short-run electoral costs. In addition, the president’s team may have been so doubtful of the success of pension and administrative reform that retaining the presidency for a second term became a necessity.

The negotiations over reelection further demonstrate parties’ weakness as bargaining units. The Cardoso administration used every possible weapon to construct its majority: pork-barrel projects, offers of jobs to deputies’ allies or relatives, possibly even bribes. Ministers coordinated bargaining with deputies from their parties, but party leaders acted essentially as facilitators, and no collective party goods were exchanged. Everything in these exchanges was reduced to the level of the individual deputy (Rocha 1997, 32–34) or incumbent governor. By contrast, though individual bargains were crucial to consolidating majorities for administrative and pension reform, parties also bargained over substantive concessions in the legislation.

If differences in the composition of supporting coalitions motivated the executive to begin with the reelection amendment, deputies also had good reason to accept this sequencing. One-shot deals were too risky.\textsuperscript{13} If all the issues were voted at once, how could deputies hold Cardoso to his commitments?\textsuperscript{14} By sep-

\textsuperscript{12} Although party leaders (in formal conversations) seemed convinced that the coalitions supporting administrative and pension reform really differed from the coalition supporting reelection, the Chamber’s key roll calls show only small differences, because heavy trading of votes for individual favors reduced opposition from its initial levels.

\textsuperscript{13} In a logroll among legislators (“I support your project if you support mine”), issues are voted simultaneously precisely because the vote is the only commitment needed. In the present case, however, the president only needs a legislator’s vote once, while they need him to release funds over some extended period of time.

\textsuperscript{14} While serving as finance minister, Cardoso had made a deal with the rural caucus: the government would roll over some rural debts in exchange for support on the Social Emergency Fund. After the vote, Cardoso reneged, but the subsequent Congress forced him to accept the concession. As the epigraph to chapter 8 indicates, deputies were clearly worried about commitments made over the reelection issue.
arating the issues, deputies could force the president to fulfill his commitments before backing him on subsequent issues.

Was reelection worth the trouble? Although most scholars believe that executives are stronger in their initial terms when the possibility exists of a second term, there is little theoretical or empirical evidence of this advantage (Light 1982, Chappell and Keech 1983). If an administration’s economic program succeeds, and if deputies foresee the president’s reelection, they will understand that better deals cannot be expected by waiting for a new executive. The reelection amendment in Brazil, however, does not merely benefit the president; it also benefits state governors, and their gains in influence inevitably weaken the president.15

In terms of Brazil’s excess of veto players, what are the implications of executive reelection? The chances of adopting innovative policies—those deviating from the status quo—will improve in a second term only if the president’s party becomes so strong that the number of veto players falls.16 In Brazil such a fall depends on the president’s coattails—that is, on the probability that the president’s electoral victory will produce a legislative coalition more supportive of the presidential program. Unfortunately, President Cardoso’s 1998 reelection strategy suggests that stronger second-term coalitions—coalitions with fewer veto players—will be the exception rather than the rule.

To understand why reelection is unlikely to produce stronger second-term executives, it is important to remember that party alliances vary from state to state. Bitter enemies in one state are allies in another. This pattern of alliances naturally hinders a president’s ability to campaign for party allies on a national basis; Cardoso, in fact, hardly participated at all in state-level campaigns. In addition, presidents have powerful incentives to deflect potential challengers toward state-level contests, even if these adversaries could be running against members of the president’s own party. Consider Cardoso’s tactics in 1998: in Minas Gerais, he remained neutral in the gubernatorial dispute between the incumbent, the PSDB’s Eduardo Azeredo, and his PMDB opponent, former president Franco.17 In São Paulo, Cardoso avoided attacking Paulo Maluf (PPB),

15. In a study of Mexican federalism, Diaz-Cayeros (1997, chap. 7) found evidence that in the distribution of federal resources, the number of years left in a state governor’s term was directly correlated with the advantages that state could extract from the central government.

16. As of this writing, seven months into Cardoso’s second term, a major ministerial reshuffling is in the offing. Cardoso’s PSDB wants some of the cabinet posts currently held by the PMDB. Reducing the PMDB’s share will hardly strengthen the president’s legislative coalition, but the PSDB is betting that FHC’s legislative agenda is so slim that the party’s 2002 electoral chances are more important (see Jornal do Brasil, July 12, 1999, 1, 7).

17. In the struggle for the reelection amendment, Cardoso seems to have promised active support to Franco if he stayed in Minas Gerais.
who was running against PSDB incumbent governor Mário Covas. And in Rio de Janeiro, Cardoso allied with the PFL’s candidate against the PSDB’s choice. In the end, PSDB candidates lost in Rio and Minas Gerais and won only in São Paulo. With these and other state-level defeats, Cardoso’s legislative coalition was weaker in his second term than in his first. The long-term implication of the president’s tactic is clear: the weakness of Brazil’s parties—and the short time horizons of politicians facing electoral tests—allows presidents to maximize their own fortunes at the expense of their long-term legislative base.18

Cardoso’s second-term weakness also results from another, chronic difficulty. Executive reelection will produce a “piling up” of strong politicians.19 If presidential and gubernatorial elections are held simultaneously and reelection is prohibited, powerful governors and other state-level politicians will compete for the presidency. Losers will find themselves unemployed and out of the spotlight for the next four years. When presidential reelection is allowed, however, important politicians will be forced to become (or to remain) governors, and as governors they are well placed to cause serious problems for the president. Stronger governors, seeking to position themselves for the next presidential test, are more likely to mobilize their state congressional delegations and thus more likely to create new legislative veto players.20

In the end, presidential reelection is a good example of an institutional change whose effects depend on the overall political context. In a unitary political system, reelection should substantially strengthen presidents. But in Brazil’s strong federalism, with powerful governors and with electoral districts coinciding with state boundaries, executive reelection may give the president no advantage at all.21

III. How Should Brazil Reform Its Political Institutions?

For Brazil, a restructuring of federalism might be one avenue for reducing the excess of veto players. Without question, Brazil’s federalism is the strongest in Latin America. Constitutionally, Mexico, Argentina, and Venezuela are all federal systems, but only in Brazil can states act so independently of central au-

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18. Cardoso’s tactics begin to resemble those of neopopulists such as Argentina’s Carlos Menem (see Weyland 1996b).
19. I am indebted to Tim Power for pointing out this “piling up” effect.
20. It is also possible that governors will be tempted to cause political problems for first-term presidents just to forestall second terms.
21. As the evolution of these rules becomes clear to politicians, any first-term bargaining advantages for presidents may also disappear, because politicians will realize that if they are patient they will soon be facing a weaker executive.
The first Cardoso administration succeeded in reining in some of the worst excesses of state independence—especially governors’ ability to force the central government to absorb the debts of state development banks—but states still have far more fiscal privileges than program responsibilities. In early 1999, Minas Gerais’s governor, Franco, unilaterally halted debt payments to the central government: the resulting economic crisis triggered the currency devaluation and a recession.22

As Eliza Willis, Christopher Garman, and Stephan Haggard (1999, 18) demonstrate, the key to the way federalism functions is the organization of political parties: “When party leaders are organized at the subnational level and occupy positions in subnational government, then national legislators often act as ‘delegates’ representing subnational interests.” This description, of course, fits Brazil precisely, but the relationship has an even stronger causal quality. The creation of strong parties at the national level seems to increase central authority in formerly decentralized systems. Alberto Diaz-Cayeros (1997) shows that in Mexico the foundation of the Revolutionary Institutional Party (PRI) in the 1930s made it possible for Mexico’s central authorities to adopt new tax policies facilitating industrialization. The PRI monopolized all channels to higher office in Mexico. Favored politicians could be certain they would face no challengers. Knowing their personal political survival was guaranteed, state politicians accepted federal tax and industrial hegemony. In effect, they traded their states’ parochial interests for personal guarantees.

If Brazil is unlikely to transform the formal constitutional basis of federalism, can federalism change de facto if political parties become stronger at the national level? Both publicly and privately, Brazilian political leaders seem quite aware of the need for stronger parties, but concrete proposals usually reflect short-term political calculations more than long-term considerations. In late 1998, for example, leaders of Cardoso’s congressional coalition proposed a new rule of party fidelity. By this proposal, deputies failing to vote with their parties would face expulsion.

The government argued that deputies should vote with their parties because nearly all deputies owed their victories to parties.23 It claimed, in fact, that only

22. Most of the decline in Brazilian reserves occurred before Itamar’s moratorium. As Celina Souza pointed out (personal communication), Cardoso used the moratorium as political cover for the inevitable devaluation. And since the federal government was legally obligated to halt certain payments to Minas Gerais after the moratorium, its cash flow with the state improved.

23. The government’s interest in party discipline is hardly a new phenomenon. Nineteenth-century cabinets, facing Chambers of Deputies in which parties were really collections of personalistic factions, had the same interest in party discipline (see Graham 1990, 160).
13 of Brazil’s 513 deputies elected themselves without help from parties.\textsuperscript{24} Deputies themselves disagreed. Between 70 and 80 percent of the deputies from the last two legislatures say their election owes nothing to parties and everything to their own efforts (Power 1997b, 198). The government’s reasoning was logically flawed as well. Imagine, in São Paulo state, five candidates who expect to collect their votes from electorates that are distinct regionally, occupationally, or ideologically. The five candidates form an electoral alliance and call the alliance a party. With each deputy getting about 200,000 votes, the alliance as a whole garners 1 million votes. Suppose this aggregate vote elects the top three individual vote getters. They win because the system privileges alliances, but their victories have nothing to do with party, at least not in the sense of a party presenting a program voted up or down by an electorate.\textsuperscript{25}

As earlier chapters demonstrated, Brazil’s deputies elect themselves by their own efforts. During campaigns, leaders contribute almost nothing to candidates. With mandated party loyalty, the backbenchers’ reason for existence disappears—they might as well stay home. Once the leadership determines that it has a majority, the minority loses all influence. Interparty caucuses (such as the rural caucus) will be crippled.

Ironically, a rule enforcing party loyalty might worsen the situation of the government if it loses its majority. President Cardoso currently needs the PMDB, PFL, PSDB, and PPB to gain approval for major legislation. Given complete party loyalty, the government wins, without resorting to bargaining, once a majority of each party supports it. But suppose the PMDB, on a given issue, abandons the coalition. Then the government can no longer bargain with PMDB deputies who disagree with the party’s dissenting majority. With no PMDB votes, the government always loses.

Part of the weakness of Brazilian parties stems from the absence of linkages between deputies and party leaders. Parties need to grow stronger over the long term, but greater authority at party centers must be accompanied by greater contributions by leaders to backbenchers’ career success.\textsuperscript{26} Parties with high degrees of discipline, such as those of Argentina and (formerly) Venezuela, need no rules enforcing party loyalty, because deputies know their futures depend on

\textsuperscript{24} The government reasoned that only thirteen deputies had enough votes to reach the electoral quotient without adding votes from any other candidate.

\textsuperscript{25} It is also possible to imagine a contest with no parties but also with no effective limit on the number of candidates. Since in São Paulo one thousand candidates compete for seventy seats, the vote is naturally pulverized. Almost no one will reach the current electoral quotient. The top seventy candidates would be elected in this partyless system.

\textsuperscript{26} Democratic parties obviously can be so strong that they become rigid and unresponsive. Venezuela and Colombia are obvious examples (see Coppedge 1994).
the leadership. If a rule of party loyalty is imposed in the absence of strong parties, the consequences will be perverse. Some deputes will simply change parties. Others, dissenters who can find no new party to join, will leave the Congress. Turnover rates will increase, because local voters want deputies who can bring pork back to their bailiwicks. Voters are unlikely to understand that party loyalty has eliminated pork-barrel bargaining, so they will elect someone who promises to do more for the bailiwick. All these consequences have parallel results: Congress will be a less attractive stop in a political career.

What political reforms have a better chance of strengthening parties to reduce the number of veto players but still preserve meaningful legislative careers? Chapter 1 showed that open-list PR can be compatible with strong parties. In pre-1973 Chile, for example, parties were strong because states were weak units of government and because national party leaders controlled nominations for legislative slates. In Brazil, however, it is hard to imagine state leaders offering to abrogate state authority, and national party leaders seem to be getting weaker rather than stronger. One small but possibly significant reform would be the elimination of two-round presidential elections. As Mark P. Jones (1994) shows, two-round elections preserve small parties. Though small parties finish far back in the first round, they survive by trading second-round support to one of the two leading candidates. Making the election into a one-round plurality affair would cause many small parties to be absorbed by their larger brethren.

Public campaign financing can also contribute to reducing party numbers. If candidates can be prohibited from spending their own funds, and if national parties allocate public funding to backbenchers’ campaigns, the latter will actually owe something to the former. The question is whether candidates can be prevented from tapping private sources of campaign finance. Optimism may be warranted here, because in recent years the Brazilian press has developed a significant investigative capacity. Along with nongovernmental organizations, the press can be counted on to police campaign-finance regulations. At the same time, public financing schemes tend to favor already strong parties.

The reform most often considered involves the adoption of a German-style mixed electoral regime, a two-ballot system combining single-member districts (SMDs) with closed-list PR. The list of countries that have recently adopted such systems is impressive: Russia, Hungary, Japan, Italy, New Zealand, Croatia, Georgia, Lithuania, Ukraine, Bolivia, and Venezuela. As Regina Smyth (1998) shows, these German-type systems vary enormously in key features, including the ratio of plurality to PR seats, the linkage mechanism between the two elections, the requirement of party membership, the ability of candidates...
to run in one or both races, the threshold for party representation, and the average district magnitude. Broadly, the differences among these new systems stem partly from the motivations for their original adoption. New Zealand’s political leaders expected the mixed system to increase minority representation (Demark 1996). Italian politicians sought to decrease party fractionalization and increase governmental stability (Morlino 1996). Japan’s goal was fighting corruption (Seligman 1997).

In theory, district elections should tend toward two-party contests, and SMD representatives should be more attentive to local interests. Candidates on the closed-list side will focus on party building, stressing policy rather than pork. However, seemingly minor differences between these systems strongly affect the leaders’ ability to constrain followers and followers’ willingness to cooperate in party building (Smyth 1998, 5). If the rules allow candidates to compete simultaneously in a district and on a party list, the costs of running shrink, and candidates with little chance will run on the district side. Rather than converging, on the district side, toward a race between two moderates (à la Duverger), multiple candidates will fragment the electorate and focus on discrete groups of voters. Other factors also encourage multiple entry, including two typical of Brazil: high district magnitude and regional (rather than national) lists. In Brazil, in other words, a mixed system might yield district representatives with the same vices as the current open-list PR system.

Mixed systems link the plurality and proportional races. In some cases (including Germany itself), the PR contest determines the overall party distribution of seats. As Smyth (1998, 17) puts it, “Candidates with resources invest in party organization to maximize their goals.” Where the two races are not linked, as in Russia and Ukraine, “Resource-rich candidates with career ambitions may chose to specialize in either SMD or PR in order to maintain maximum autonomy in the future.”

Although only the German case has existed long enough to offer confidence about its long-run tendencies, mixed systems seem to produce mixed results. Smyth (1998) notes that parties have proliferated, not consolidated, under Italy’s mixed system. Japan’s Liberal Democratic Party has done well in plurality races but poorly on the list side. Neither Russia nor Ukraine shows much progress in consolidating along programmatic lines.

What can be learned from the adoption of mixed systems in the two Latin American cases, Bolivia and Venezuela?28 Bolivia’s mixed system, which has

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27. This section is heavily indebted to the pioneering analysis of Smyth (1998).
28. Even though Mexican voters cast only one ballot, for the single-member district, their
been in effect for only one election, splits the Congress almost evenly between single-member districts and PR seats, with the latter distributed (as in Germany) to compensate for disproportionalities in the SMDs. A national threshold of 3 percent serves as the minimum for PR. Because candidates may run in both SMD and PR elections, the system should not dramatically reduce fragmentation. Voters cast two ballots, but the ballot for president, vice president, and senator is “fused” with the proportional ballot for the lower chamber of the legislature. In principle, the fused ballot should itself reduce party fragmentation, because the coattails of the leading presidential candidates should strengthen their parties’ legislative contingents. In practice, however, Bolivia’s fused ballot is unlikely to reduce fragmentation: unless one candidate wins an absolute majority of the popular vote, the Congress chooses the president from between the top two vote getters. Small parties have an incentive to enter the race and negotiate their support with the leading candidates before the second round. The 1997 election results confirm this possibility. No party received even one-quarter of all the votes, but five parties pulled in at least 16 percent.

Venezuela adopted its version of the mixed electoral system in 1993 and has now utilized the system for two elections. Half the seats are allocated to single-member districts and half to closed-list proportional slates. Compensation—adjusting the deputies elected on proportional lists for the single-member seats won—is carried out at the state level. Candidates may run on both the SMD and proportional sides. Party leaders at the national level exercise a great deal of influence over nominations for the closed proportional slate (Crisp 1998, 5).29

Venezuela’s reforms essentially sought to open up the political system rather than strengthen parties. The excessive centralization of Venezuela’s traditional parties, Acción Democratica and COPEI, had created what Michael Coppedge (1994) calls a “partidocracia,” a system in which party domination led ordinary citizens to feel totally excluded from political life. Uninominal district elections were the key element of electoral reform for Venezuela. These districts, it was hoped, would send deputies to the legislature who would be more independent of party leaders and more responsive to local interests.30

Though the Venezuelan system is still evolving, district deputies already seem to have somewhat different orientations from list deputies. Michael Kul-

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29. In Acción Democratica’s case, regulations adopted in 1998 gave the party’s national executive council the right to name all the candidates for state and national legislative seats. COPEI allows two-thirds of its PR candidates to be nominated by regional and local leaders (Crisp 1998, 5).

30. In Germany, Lancaster and Patterson (1990) found evidence that district representatives were more responsive to local interests than were representatives from the closed-list slate.
Kulisheck (1999a, 25) found district deputies more likely than PR deputies to believe they respond more to state and local issues and interests and less to party leaders. District deputies also think they promote projects benefiting their constituents more often than do PR deputies. But party discipline did not drop among the major parties, Acción Democrática and COPEI, after the advent of the new system. Contrary to reformers’ hopes, district deputies tend not to cultivate ties with new state and local interests (such as neighborhood associations or environmental groups). Rather, such deputies build ties with long-standing interests such as business and organized labor. Kulisheck speculates that the electoral insecurity of district deputies, who cannot rely on strong party organizations to guarantee their reelection (especially in the case of representatives from the newer, more decentralized parties), pushes them to rely on established interest organizations (1999b, 21). In the presence of centralized parties with strong linkages to established organizations, mixed systems are likely to have less effect on deputy behavior than they would in a weak party system, and even deputies with incentives to cultivate a personal vote will seek the security of alliances with established interests.

Venezuela’s dominant parties suffered sharp losses in their vote and seat shares in the past two elections, but most scholars believe these losses, and the resulting fragmentation, would have occurred even in the absence of a new electoral system. The two established parties were expected to do well in the single-member district elections as a result of their widespread organizational advantages, but Acción Democrática and COPEI lost vote share on both sides of the ballot. The Venezuelan experience—especially in the light of Chavez’s overwhelming victory in the elections for the new constitutional assembly—proves that institutional reforms may only marginally affect a party system already in an advanced state of decay.

In March 1999, Brazilian politicians showed that they may be getting serious about a mixed electoral system. The main parties of the governing coalition, especially the PSDB, the PMDB, and the PFL, proposed a four-part program of political reform. One element called for rules of party fidelity, but, in a nice watering down, each party could determine how and when to apply the rule. Another element of the reform called for strengthening parties by adopting a mixed electoral system, with half districts and half proportional representation. But in the kind of delicious irony possible only in Brazil, the proportional side—often blamed for personalizing politics—would continue to

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31. The original proposal also established a 5 percent threshold of votes in the whole country (distributed in nine states), the end of alliances in proportional elections, and a minimum of three years in a party before running for office under that party’s label (see Seabra 1999).
utilize open lists. Since, as demonstrated earlier, many current deputies already campaign in de facto districts, and since district seats are expected to strengthen not parties but ties with local communities, I leave it to the reader to judge this proposal’s party-strengthening qualities.

IV. Brazil and the Study of Comparative Politics

Substantive Implications

R. Kent Weaver and Bert A. Rockman’s (1993) study of institutions and policy outcomes offers a useful comparison to this examination of Brazil, particularly in view of the oft-debated consequences of such “first-tier” regime characteristics as presidentialism and parliamentarism. Comparing seven countries (the United States, United Kingdom, Canada, Germany, France, Japan, and Sweden) on a variety of policy dimensions, Weaver and Rockman found that individual institutional characteristics rarely are the sole determinants of policy outcomes. Still, regime types do create different levels of risk and opportunity in relation to various government capabilities. Separation-of-powers regimes (the United States and Brazil) are at great risk in terms of a series of government capabilities: policy innovation, loss imposition, priority setting, resource targeting, coordination of conflicting objectives, and policy implementation. Such regimes are likely to be better at other capabilities: representing diffuse interests, managing societal cleavages, and maintaining policy stability (448). Unfortunately for Brazil, however, its social cleavage structure would be simple were it not for the regional disputes that are magnified by Brazilian federalism, and the maintenance of policy stability is likely to be a goal only for privileged groups, including politicians themselves.

Weaver and Rockman find that institutional effects on government capabilities work through governmental decision-making characteristics. Stability of decision-making elites, for example, helps ensure that policies will be carried out. The U.S. Congress is very stable, because campaign-finance laws favor incumbents and because seniority rules enhance prospects for continuity in committee leadership positions. In Brazil, by contrast, the Congress is quite unstable: roughly 50 percent of the members in every session are beginners, and the Congress’s internal rules inhibit the development of specialized committee expertise.32

32. The Congress’s internal rules prohibit committee chairs from serving more than two years, and chairs cannot be reelected.
Brazil’s electoral system is likely to produce presidents without strong legislative backing. Divided government in the United States at times produces stalemate but at other times produces a politics of “bidding up,” as in the case of ever-more-generous tax cuts. Stalemate can occur in the U.S. system when the ideological differences between the executive and legislative branches are high and when money is scarce (Weaver and Rockman 1993, 452; Mayhew 1991). Interbranch ideological differences in Brazil are rarely enormous, and the executive has moved policy along through generous use of pork-barrel programs and political jobs. If the current program of neoliberal state shrinking continues, however, the availability of both pork and jobs will decline. The consequences include a greater likelihood of stalemate.

Governments tend to develop mechanisms counteracting the effects of certain institutional characteristics (Mayer 1995). “Fast track” laws in the United States enable the Congress to limit its congenital tendency to represent multiple veto points in trade legislation. The Brazilian Congress has allowed its presidents to use emergency decrees as ways of getting around legislative obstructions as well, but this “work around” is a poor solution. Emergency decrees may be useful for dealing with economic crises, but they cannot be used to resolve complicated questions such as interministerial budgetary allocations. They short-circuit the conflict-management process that should be occurring in the legislature and create a sense of marginality that over the long run weakens the Congress.

In the end, evaluation of a nation’s political institutions depends on one’s view of the status quo. Brazil’s institutions guarantee a multiplicity of veto players. The result is policy stability. If you like the status quo, stability is a good result. If not, stability is a problem. Policy stability locks the overwhelming majority of Brazilians into poverty.

**Methodological Implications**

Brazil’s political institutions constitute, ultimately, a single case. Can the study of a single case aspire to scientific status within “comparative” politics? In his monograph on the politics of coffee, Robert Bates (1997, 165) recalls that Gary King, Robert O. Keohane, and Sidney Verba, in their text on comparative political methodology, advise scholars to “pick our cases with care, so that we might efficiently extract the information available and do so with a minimum of bias.” For a study of Brazilian politics, just as in Bates’s treatise on coffee, this advice is not very helpful, because the case itself is the object of interest.

One solution (also adopted by Bates) is the utilization of theory developed
in other settings. The chapter on campaign strategies introduced arguments based on the pork-barrel propensities of politicians with varying electoral bases. Ironically, the Brazilian case offered the rare opportunity to test what students of American politics take as a given—that is, the idea that politicians distribute more pork in single-member districts than in multimember districts. In the analysis of legislative voting, theories about conditional party loyalty, once again based on the U.S. Congress, guided the investigation of party discipline. In the end, the model developed to explain Brazilian party discipline broadened extant theory by building in measures of constituency characteristics and electoral security.

A second solution to the single-case problem flowed from our ability to disaggregate across both time and space. Electoral results spanning contests from 1978 to 1994 provide a sound basis for confidence in arguments about the interactive effects of demographic and socioeconomic change in the context of increasingly sophisticated politicians. Focused comparisons of states at similar economic levels—but with very different political traditions—illuminate the effects of chance political events on long-term political trajectories. And combining information about individual deputies, both biographical and electoral, with information about individual parties’ legislative voting recommendations enabled the separation of the real power of party leaders from other influences on deputies’ behavior.

Ultimately, the reader will decide the scientific value of this study. I believe that comparativists too often suffer from an inferiority complex, feeling compelled to demonstrate the relevance of our work for those with no interest in our cases per se. Students of American politics seem immune from this disease, though their work frequently takes the U.S. case not just as the center of the universe but as the universe itself. On the evidence of this book, perhaps the Americanists are right. Even though what Americanists call theory often comes from the study of a single case, that theory can often be applied profitably to Brazil. In the same way, the relevance of Brazilian politics to the interests of other political scientists may be most efficiently grasped by its potential consumers rather than by its producers.

An Agenda for the Future

When I began this project, in the early 1990s, few studies on Latin American politics relied heavily either on statistical methods or on rational choice theory. Critics of “rat choice,” moreover, harped on its ideological conservatism. By the close of the decade, rational choice had shed the ideological critique, and
both formal theoretical approaches and careful applications of quantitative methods had become quite common. In part these shifts reflect improved training in theory and quantitative methods afforded to graduate students in both the United States and Latin America as well as the broad democratic opening of Latin America in the 1980s and 1990s.

Democracy implies openness. With openness comes greater access to information. All over the region, Latin American governments are making such information as electoral results, budgetary reports, and congressional votes easy to obtain, often via the Internet. With so much information available so easily, scholars everywhere are solving empirical puzzles they could once only imagine.

Democracy also implies formal institutions. In the heyday of bureaucratic authoritarianism, elections and legislatures either existed simply as facades or ceased to exist altogether. By the close of the 1990s, not only were formal institutions of obvious importance, but significant institutional reforms were almost commonplace. Natural experiments, involving before-and-after comparisons, were suddenly available.

Where do we go from here? The institutional analysis undertaken in this book obviously can be extended to other settings. In Mexico, where single-party dominance seems to be reaching its limits, legislative research is likely to burgeon. But legislative studies will soon come up against the fact that most active Latin American parliaments are very young. The extended time series that enable U.S. researchers to evaluate multidecade statistical models of committee behavior are simply not feasible for Latin America in the near future. While electoral and legislative studies will remain profitable areas of scholarly endeavor, it is necessary to explore new kinds of institutional puzzles.

Latin Americanists have traditionally paid little attention to bureaucracies, judicial systems, and state-level politics, but in the era of neoliberal state shrinking, all three are likely to increase in importance. To some degree, institutional scholars have focused on elections and legislatures because they are easy to study. Research on bureaucracies and on judicial systems is much harder. Basic descriptive work is still needed, and much of it will have to be done by Latin American scholars themselves. Research on state politics has been neglected in part because of a certain prejudice, particularly on the part of indigenous scholars, against fieldwork outside the dominant cities. Still, state-level comparisons (mainly relevant in larger countries, of course) offer the advantage of holding

33. On bureaucracy, see Schneider 1991; on judicial systems, see Wilson and Handberg 1998.
the national political culture constant. In countries such as Argentina, provincial electoral systems themselves vary, while Brazilian states offer a perfect laboratory for the study of gubernatorial-legislative relations.

The issue of the relationship between institutions and equality still remains open for Latin America as a whole. Such policies as the reform of pension systems or the distribution of government spending across levels of education are ripe for comparative institutional analysis. While no single research question is likely to determine definitively which institutional forms magnify or dampen inequality, investigations into individual policy areas might well be profitable steps in advancing the debate.

The future research agenda should also include explorations of the founding of institutions themselves. Constitutional overhauls in Bolivia, Brazil, Colombia, and Venezuela (twice) provide more than an opportunity for before-and-after comparisons. Such reforms also offer the chance to examine these institutions’ founding moments. What kinds of interests were at play? What sorts of consequences were anticipated, what sorts unexpected? Did the experiences of earlier reformers, especially in Latin America, affect those coming later?

For Latin America as a whole, institutional scholars still lack a convincing response to Weaver and Rockman’s question, “Do Institutions Matter?” I suspect we will come to agree with Dieter Nohlen (Lamounier and Nohlen 1993, 145): institutions do count, but no monocausal theories are possible. Other variables beyond institutional ones must always be taken into consideration, and cause-effect relationships are not unidirectional but circular. In this book, demographic and economic conditions, along with chance historical events, are part of the story. But in the end, Brazil’s political institutions not only matter a great deal but are at the heart of the nation’s crisis of governability.