

LULA'S MASSES LIKE ORDER

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Folha de S.Paulo, January 4, 2010

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Last week I argued in this column that the increase in the average growth rate of Brazilian economy from 3% to 5% of the GDP that occurred from the third year of the Lula administration was initially due to the strengthening of external demand, stimulated by a competitive exchange rate and by the increase in the price of commodities, and, subsequently, by the increased internal demand caused by the increase in the minimum wage, by the "Bolsa Família" [*family allowance*], and by the "crédito consignado" [*loans whose installments are deducted from the paycheck*]. André Singer, in a remarkable article on political science and political sociology published in the November 2009 issue of *Novos Estudos Cebrap* ("Raízes ideológicas e sociais do lulismo") [*Lulisms ideological and social origins*], completes this analysis.

The argument of the USP teacher is simple and clarifying. From the 2002 to the 2006 election - both won by Lula - there was a change in his bases of support. Because he adopted an orthodox economic policy and in view of the "Mensalão" crisis [*vote-buying scheme*], he lost a substantial part of the support of the intellectualized left-wing middle class, but, on the other hand, he gained support from the low-income sectors and particularly from the very low-income sectors - the sub-proletariat that

André Singers father, Paul Singer, studied in the 1980s. He won the support of this huge constituency consisting of families that receive less than two minimum wages and represent nearly 47% of Brazilian population.

During the first four years of his administration, Lula enjoyed the support of these popular masses that, since Collor's election, were systematically voting for the right-wing candidate. According to André, there were two reasons for this support: first, their income increased, thanks to the increase in the minimum wage, to the "Bolsa Família", and to the "crédito consignado", which made possible for a significant part of these masses to reach the "C class", that is, the "middle class" in marketing language. The second reason is, however, more interesting and a bit surprising. Because these masses are characterized by "popular conservatism". For them, as for the Right, "order", in this case represented by price stability, is an essential thing. This is the reason why they voted for conservative candidates in previous elections. However, when they realized that Lula was also "conservative" in this issue, was fiscally responsible, and proved to be able to maintain price stability, they supported him instead.

As Getúlio Vargas, Lula was able to talk directly to the people and to win their trust, not only because he provided them with real benefits, but also because he did it with fiscal responsibility, not allowing the hydra of inflation to return. Joãozinho Trinta remarked, a long time ago, that the poor love luxury André reminds us that they also like safety and order. Lula abandoned the irresponsible fiscal populism that had been characteristic of his speech and of his party's speech until the eve of 2002 election. It was an act of courage that led him to lose the votes of his friends, but to win the votes of the poor. To do that, he was compelled to subordinate to conventional orthodoxy, but he did not realize that conventional orthodoxy, in spite of its speech, promotes exchange rate populism and financial deregulation and, therefore, does not warrant stability. It is the new developmentism adopted by the dynamic Asian countries that warrants stability and growth, by rejecting both the public deficit and the current

account deficit. But that's another story. The story of this article is André Singers analysis. I haven't seen such a clear, objective, and clarifying article on Brazilian politics for a long time. An article that forces us to think.