

Elections: What 2012 may tell us about 2014

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THE ELECTORAL CYCLE that ended last month did not change Brazil's political landscape at the national level much. At first glance, there were no major upsets or surprises salient enough to identify clear winners and losers among major parties; electoral spoils were fairly evenly distributed among them. While some gained control of more total districts, others lost control of capital cities. In the end, the PSDB, the PMDB, and the PT¹ retained their ranks as the three largest parties at the local level.

Perhaps more revealing, however, was the fact that most incumbent candidates and parties in major cities did not do well.

A sign of more competitiveness was the high number of run-off races necessary in capital cities: 17 of 26 state capitals, the highest number in recent years. Also, the success rate of reelection bids declined. In 2008, 65% of mayors of capital cities seeking reelection were successful (13 out of 20). In 2012, the rate fell to 50% (4 out of 8). Finally, in the majority of cities where the mayors were not seeking re-election, the candidate from the ruling coalition was defeated.

Even though there are numerous reasons that might explain the high turnover, one very plausible explanation is that several years of rapid economic expansion in Brazil have been accompanied by changes in the political sphere. To start with, economic growth in the past decade or so—and the rise in consumption it brought about—played a role in deepening a few urban problems, such as traffic congestion and pollution, that have generated dissatisfaction with local governments. More importantly, the economic growth has also led to the rise of a new middle class that has higher political expectations and demands.


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The challenge for local governments in these cities today is to respond to these rising demands for better public services. But as growth slows and revenue dwindles, local governments must adjust to a more challenging economic environment while juggling the new political and socioeconomic challenges. In the longer term, the message produced by local ballots this year may be a harbinger of a more profound shift of political behavior at the national level. In other words, a middle class with higher expectations can easily become frustrated with the status quo.

Going back to party performance, there are a few incipient trends from last month's local elections that may have important national implications. A strong showing by leftist PSB and center-right PSD may presage shifts in the governing and opposition coalitions heading into the 2014 presidential elections. The PSB will likely push for more space within the coalition; it will be challenging for President Rousseff to accommodate the party and its rising leader, Eduardo Campos. Ultimately, however, if the economy rebounds and Rousseff's approval ratings remain high, the PSB is not likely to be a real threat to the president's bid for reelection. As for the PSD, its strong showing reflects the fragmentation of conservative votes in major cities. This means that in 2014 the opposition could have a harder time coalescing around one party or one candidate.

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Finally, Jose Serra's defeat in São Paulo city is noteworthy in terms of the fate of the opposition down the road. Although Serra's standing within the PSDB should diminish, he is likely to retain enough political capital to create some uncertainty that could make it hard for Senator Aécio Neves to consolidate support as the party's incontestable presidential candidate in 2014. The reason for this is that Serra still has high visibility as one of the main leaders of the opposition and that may steer support away from Neves. Fernando Haddad's victory over Serra serves as a reminder of former President Lula's resilience and the diminished impact of the Supreme Court trial of former PT officials on the party's overall performance. 

¹ **Opposition parties:** Brazilian Social Democratic Party (PSDB), Progressive Party (PP), Democratic Labor Party (PDT), Democrats (DEM). **Governing coalition:** Workers' Party (PT), Brazilian Democratic Movement Party (PMDB), Socialist People's Party (PPS), Social Democratic Party (PSD), and Brazilian Socialist Party (PSB), Brazilian Labor Party (PTB)