

Trouble ahead for Brazil's ruling party

by Mark Sonnenblick

Everything seems set for the Brazilian opposition alliance to take over the government in 1985, for the first time since the 1964 coup. By acceding to the austerity dictates of the International Monetary Fund (IMF), the ruling Democratic Social Party (PDS) has set itself up for internal fissuring and ouster from power. The only thing which could upset this projection would be political chaos that could provoke a military reaction against democracy.

Brazil's presidential candidates were nominated during the second week in August—Paulo Maluf for the PDS and Tancredo Neves for the opposition Democratic Alliance. The presidency will be decided on Jan. 15 by a non-elected 686 member Electoral College. Even under this manifestly undemocratic system, the ruling party seems destined to lose.

Former São Paulo governor Maluf bought himself the PDS nomination on Aug. 11 by lavishing huge sums of money of dubious origin on party delegates. He had been equally successful, using the same method, in obtaining the São Paulo governorship five years before, and he has budgeted a repeat performance for the presidency.

Maluf has working for him President João Figueiredo and the powerful government machine which has practically monopolized power since the 1964 Revolution. But the ruling party's political base of support has collapsed. The PDS, which has boasted itself to be "the largest democratic party in the West," is now known as "the most divided party in the West."

The PDS has splintered not only because of the stench of dirty money surrounding Maluf, but in response to the disgust of Brazilians toward the depressionary policies demanded by the IMF and implemented by the Figueiredo regime.

Since the beginning of this year, the São Paulo industrialists and the nation-building circle around former President Gen. Ernesto Geisel have promoted Vice-President Aureliano Chaves as a politically preferable alternative to Maluf, insisting that he would be able to unite Brazil and rebuild it from the IMF's wreckage. When Figueiredo blocked this solution, the PDS rebels formed the Liberal Front and negotiated a Democratic Alliance with the opposition PMDB party. The deal was that the PDS rebels would cross over in the Electoral College and give opposition candidate Tancredo Neves a wide margin of victory, in return for a share of power, at the expense of the leftist sectors of the opposition.

Right up to the convention, the less myopic of Figueiredo's circle sought an alternate candidacy which would hold the party together, but were thwarted by the President. After Maluf's victory, even the stalwarts of "the system," who had backed Interior Minister Andreazza against Maluf, began dickered with Neves for a share of the spoils of power.

The military newsletter *Letras en Marcha* is circulating in the barracks with a front-page article, "Tancredo, the Brazilian Alfonsín." This piece and anonymous military leaflets warn that Tancredo Neves would replicate Argentine President Raúl Alfonsín's prosecution and jailings of top military officers on charges of human rights abuses. Neves and his supporters are bending over backward to promise that they would do no such thing and would "continue the 1964 Revolution." However, some officers fear Neves will succumb to the majority of the electorate's demand for direct elections in 1986, which they believe would catapult populist agitator Lionel Brizola into the presidency at the head of a leftist mob seeking vengeance for the years of dictatorship.

In April, 7 million Brazilians marched in the streets to back a constitutional amendment allowing direct election of

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the president, as the best way to overturn the IMF dictatorship. Only the declaration of martial law for one week in the capital city of Brasilia prevented the Congress from voting up the direct election amendment.

Like Alfonsín, Neves is in danger of being crushed between Brazil's creditors and its people. On receiving the nomination, Neves charged that debt payments were "bleeding the national economy. . . . Our creditors will receive their money in line with Brazil's ability to pay. . . . Recession and unemployment are not units of account among decent nations." On the other hand, he is likely to bow to foreign creditors by appointing São Paulo banker Olavo Setúbal as his economic chief. The architect of Brazil's IMF program, Planning Minister Delfim Netto, blithely assured Brazil's creditors that Neves would not break with the IMF, and Neves himself disowns any such "radical" pretensions.

The Jesuit-educated Maluf—despite his demagogic pledges that he would "not accept international auditors and inspectors imposing unacceptable conditions"—would leave economic management in the hands of Celso Affonso Pastore, his former finance secretary and now the chief public defender of Delfim's surrender to the IMF. Unable to buy off 130 million people the way he can several hundred party delegates, Maluf would provoke a social explosion with his pro-IMF policies and the blatant corruption around him.