



Brazil Election Update: July 2006

Produced by the Americas Society and Council of the Americas (AS/COA) Brazil Study Group

Topics in this Issue

- Violence
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Upcoming AS/COA Brazil Event

**08/04/06, 2006 Latin
American Cities
Conferences, São
Paulo:** "Brazil:
Creating New Global
Opportunities" Caesar
Park Hotel, 8:00 a.m. -
2:45 p.m.

Violence again gripped the state of São Paulo on July 11 when the *Primeiro Comando da Capital* (PCC), a criminal gang, unleashed a wave of attacks killing eight people and destroying public buses, banks and scores of shops over the course of three days. The federal government responded to the tenuous security situation with R\$100 million (US\$45 million) in assistance for state development of intelligence units and construction of new jails. São Paulo Governor Claudio Lembo (Liberal Front Party - PFL), a supporter of presidential candidate Geraldo Alckmin (Brazilian Social Democracy Party – PSDB), did not originally want to accept help from President Luis Inacio Lula da Silva of the Workers' Party (PT). However, the governor accepted federal funds after a July 14 meeting with Minister of Justice Márcio Thomaz Bastos revealed that the transfer should have actually taken place a year ago, dampening Lula's ability to claim credit for helping the state.

As for presidential candidate responses, Alckmin called for public security to be a shared federal-state responsibility, while the Workers' Party (PT) placed blame for the attacks on the state, not federal government. But beyond condemning the attacks, neither Lula nor Alckmin has laid out concrete plans to reduce violence and improve security. Policy platforms for both candidates should be presented soon.

Brazil attended this month's **G8 Summit** in St. Petersburg, Russia, with the goal of pushing for progress in the current round of trade talks. (The Doha Round has been temporarily suspended after failed meetings in Brussels on July 23.) Brazil was invited to participate for the third consecutive year. Joined by four other developing countries (India, China, Mexico and South Africa), Brazil called for an opening of markets to agricultural products and reducing import tariffs and agricultural subsidies. President Luiz Inácio Lula da Silva used his time at the Summit to hold several bilateral meetings with strategic partners. In a meeting with U.S. President George W. Bush, Mr. da Silva cited the need for advancements in energy and presented H-Bio, a new cost effective and less-polluting Brazilian-developed fuel. Along with China and India, Brazil gained the support of Russia for eventual G8 entry if the group expands.

Presidential campaigning officially started on July 7. President Luiz Inácio Lula da Silva (PT), former São Paulo Governor Geraldo Alckmin (PSDB) and Senator Heloisa Helena (Socialism and Freedom Party - PSOL) are reaching out to regions where they trail in popularity, adapting speeches and tactics along the way. Targeting the middle class in the Southeast and South, President Lula has highlighted the increase in purchasing power during his government. The president faces less of a challenge in winning over Northeast voters where his support reaches as high as 63% in some areas; his popularity can be partially attributed to *Bolsa Família*, a federal government financial assistance program. According to *Folha de São Paulo*, Mr. Alckmin, virtually unknown in the Northeast, is trying to win over voters by pledging to maintain *Bolsa Família* while reviving the Sudene (*Superintendência para o Desenvolvimento do Nordeste*) model, a northeast economic development plan that ended in 2001. In the South, where Alckmin is leading in the polls, his campaign is focusing on the business agenda, specifically emphasizing agribusiness industry development. Senator Helena, known for her less moderate positions, is trying to gain voter support in both the North and South. She has visited different cities in the Northeast, including a July 24 stop at the Volkswagen plant to protest the firing of workers. Candidates are certain to gain more exposure once the television campaign officially starts on August 15.

Presidential Polls

The latest poll available, produced by *Datafolha* on July 17 and 18, shows that the difference between President Lula and Mr. Alckmin is decreasing from April/May. In the past month, the difference between the top two candidates has decreased 1 percent. With Senator Helena gaining ground and Lula's lead continuing to decrease, there are signs that the election may not be decided in the first round.

Candidate/ Poll	Lula (PT)	Alckmin (PSDB)	Helena (PSOL)	Undecided / No opinion / Blank or invalid vote
Datafolha: April 2006	43%	23%	7%	18%
CNT/Sensus: May 2006	42%	21%	8%	25%
Datafolha: May 2006	45%	22%	7%	18%
Datafolha: June 2006	46%	29%	6%	15%
CNI/IBOPE: June 2006	48%	19%	6%	24%
Datafolha: July 2006	44%	28%	10%	18%

Sources: Datafolha, IBOPE and CNT/Sensus

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