Punishing Corruption: The Impact of Corruption
Allegations in the 2006 Brazilian Congressional Elections

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Abstract

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Abstract: Are corrupt politicians in Brazil punished at the ballot box? To answer this question I examine the 2006 Brazilian congressional elections and compare it to previous research on U.S. congressional elections. I argue that, as in the case of U.S. incumbents accused of corruption, Brazilian members of Congress will also lose a substantial number of votes, in the face of corruption allegations. Indeed, contrary to the U.S., more will lose their seats because they cannot afford any vote loss given the Brazilian electoral system. I will also argue that access to information is a key element in determining if voters punish corrupt politicians, especially in the Brazilian political environment, and that Brazilian election rules will make campaign spending a key element for re-election.

Political corruption has been widely studied in the past four decades. While the study of corruption has focused on developing countries (Robinson 1998; Gould and Amaro-Reyes 1980; and Ward 1989) and in former communist countries (Kotkin and Sajo 2002), corruption is a relevant issue in most countries regardless of economic development or political system. In 2005 alone Transparency International (TI) reported corruption issues in the United States, Germany, Canada, Israel, Iraq, Brazil, Kenya, and South Africa and in institutions like the United Nations (Porznuk 2005). Since the late 1990s social scientists, together with policymakers and aid donors have examined corruption and the issue of governance with renewed interest. But what is the relationship between corruption allegations and electoral success?

In order to attempt to answer this question, I analyze the effect of corruption allegations on the 2006 congressional elections. The 2006 elections are a good starting point to this research because of two major national political scandals that happened just before the elections, leaving an already tarnished institution even more tainted in the eyes of the average voter. This research will be divided in two parts. First I will focus on four specific themes: defining corruption, previous literature on corruption and voting behavior, the Brazilian electoral laws and how it may affect the study of corruption and voting behavior, and the Brazilian scandals of 2005 and 2006 and how they shaped public opinion. Then I will elaborate on the research question itself and on the operationalization of the variables; discuss the results of the research; and finally I will compare the results to previous works in U.S. Politics.

Do Voters Punish Corruption? The Importance of Information

In order to elaborate on the relationship between corruption and voting behavior we must first establish a working definition of corruption. While corruption can be defined in a variety of ways (see Carvajal 1999; Goldsmith 1999; Kotkin and Sajo 2002; and Rose-Ackerman 1999 for some working

definitions) I will uses F. J. Lira's explanation of corruption in Brazil. Lira (2005: 10) defines corruption as the use of the public machine, by the bureaucrat or the politician, to obtain private gains.[1]

In Brazil, corruption has been seen a normal, sometimes useful part of political life. The popular adage "*rouba, mas faz*" ("he steals, but gets the job done") has long been considered an accepted fact of politics. However, recent polls suggest that the *rouba maz faz* mentality is not part of Brazilian political culture. In a 2006 poll conducted by IBOPE for *Tranparência Brasil* (TB) (Abramo 2007) we were able to see a relationship between voter's evaluation of elected officials and their perceived honesty. Indeed, a greater number of Brazilians are starting to see corruption as the worst problem (Tautz 2006) in the country, and a recent survey showed that Brazilians see corruption as one of the five most important issues in Brazil today, together with healthcare, unemployment, poverty, and public safety (IBOPE 2006).

According to Peters and Welch (1980), most individuals claim that politicians known to be corrupt should not be re-elected. However, corrupt politicians are often re-elected in many countries, including the United States. The question of electoral retribution is raised by Peters and Welch (1980) and Welch and Hibbing (1997) who look at the effects of charges of corruption on voting behavior in American congressional elections. This research offers four specific reasons why American voters continue to support corrupt politicians.

First, voters may support corrupt politicians because they are uninformed or misinformed about candidates. According to Peters and Welch (1980: 697), "a segment of the voting public is likely to misperceive, selectively perceive, or, under some circumstances, refuse to believe the truth to the charges, depending on the credibility of the information source." Second, "venal voters" may support corrupt politicians because their vote can be traded for material advantage. Third, individuals may see corruption as intrinsic to the political system. Peters and Welch (1980: 698) acknowledge that some political

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[1] Sentence translated and paraphrased by author. Lira's (2005: 12) complete definition of public corruption identifies it as "a social relation (personal, outside the market, and illegal) established between two agents or two groups of agents (*coruptee* and corruptors), in which the main objective is the illegal transfer of income, within the society or the public fund, for the use in strictly private endeavors. This relationship involves the exchange of favors between groups of agents and normally the remuneration of the corruptors by the use of bribery and any other type of incentives, conditioned by the rules of the game, and by the system of incentives that emerge from the game" (*author translation*).

cultures and subcultures see corruption as a normal practice in public and private business. Fourth, corrupt politicians may win because voters will use corruption accusations and charges as simply one of several collective issues weighted in order to decide on whom to vote.

However, Peters and Welch (1980: 703) find that, empirically, US voters do punish corrupt politicians. Corruption allegations will reduce the number of votes incumbents receive, impacting Democratic more than Republican candidates alike. Seniority played an important role in determining the fate of incumbents: senior incumbents were better able to absorb the loss of some votes and still win. Welch and Hibbing (1997: 237) reach the same conclusion, stating that "(corruption) charges rarely cause incumbent U.S. Representatives to resign, retire, or lose in primaries, but they do often cause them to lose votes and occasionally elections."

In this research I will use Peters and Welch (1980) and Welch and Hibbing (1997) primary ideas in order to empirically determine the role of corruption in the Brazilian elections. Peters and Welch (1980: 698) argue that "it is not accurate to assume that every voter uses it (corruption) as the sole criterion for electoral choice, regardless of partisanship or other issue considerations." Does the same assumption hold true in the Brazilian political environment, an environment where voters are becoming more aware of corruption issues and consequentially more conscious about the idea of corrupt politicians? I will argue that corruption is one of the most important issues that Brazilian voters will consider when casting their ballots. This will especially be true in an election such as the 2006 congressional election where two major scandals tarnished the credibility of a great number of Deputies and Senators.

The idea that corruption allegations will be an important, if not the most important issue voters will take in consideration when casting their vote is defended by Ferraz and Finan (2005) in their research focus on municipal audits in Brazilian cities. Based on their results, municipalities where the information about audits was readily available to voters were more prone to punish corrupt politicians than municipalities that did not provide the information to the public. I will argue that if voters are aware of the corruption allegations against members of Congress they will punish those corrupt politicians.

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The assumption that voters are misinformed or uninformed about candidates may be the reason why certain Brazilian politicians have stayed in power even after massive corruption allegations. In the 1980s and 1990s Kinzo and Dunkerkey (2003) point out that polls revealed between 86 percent and 89 percent of the population used television as their main source of information about politics. Given the situation regarding media ownership in Brazil[2] it is safe to say that television stations have long used their influence to push certain political agendas and candidates. But as Kinzo and Dunkerley (2003: 313) explain, "it is now possible to conclude that other variables besides political manipulation are central to a full explanation of the political role of the media." The authors describe the consolidation of democratic practices and institutions as diminishing the force of media manipulation, stating that "when democracy advances in society, oligopolistic media conglomerates like TV Globo[3] have greater difficulty in maintaining their old instrumental interventions" (Kinzo and Dunkerley 2003: 313).

While Brazilian television stations may have some power in the agenda setting and opinion formation of the average vote, I argue that Brazilian voters now have a wide range of media sources that have improved the quality and quantity of information about political corruption, including the *Horario Eleitoral Gratuito*, the spread of computer technology and the internet, the creation of advocacy agencies, and the impact of newspapers.

First, the so-called *Horario Eleitoral de Propaganda Gratuita* (free political advertising time) is one of the ways created to provide a leveled playing field to Brazilian politicians. All Brazilian elections are preceded by this free advertising time in which television stations are required by law to provide a free unfiltered space for all politicians and parties running in the elections. No other democracy in the world gives more free time in the media to candidates than Brazil (Kinzo and Dunkerley 2003: 298). The *Horario Eleitoral* can be an important tool in exposing corruption. Indeed, it has been used to accuse

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[2]   Media ownership is tightly connected with political power. Concessions to television and radio stations are normally given to local strongmen and politicians, creating the possibility of a system of limited accountability and transparency by media outlets.

[3]   TV Globo is Brazil's biggest media conglomerate.

candidates of corruption, as well as a respond to corruption allegations, providing a platform for voters to become informed.

Today Brazilian voters are becoming more aware and better educated about corruption in Brazil. While television is still the most widely used medium the advent of new technologies such as the internet have provided a powerful tool for absorbing political information. The number of personal computers and internet users is rising in Brazil since the 1990s. Between 1992 and 2004, the number of personal computers has risen from 6.16 per 1000 people to 105.2 per 1000 people, while the number of internet users has risen from 0.13 per 1000 people in 1992 to 195 per 1000 people in 2005. While roughly 12 percent of the population being internet users is still a low number, especially when looking at the USA (63 percent) and high income countries (54 percent), this number is still high when compared to other developing countries such as China (7 percent) and middle income countries (9 percent) (World Bank 2007). It is also important to note that by 2000 the number of internet users had surpassed the numbers of personal computers in the population, meaning that individuals without a computer were starting to use the internet, a phenomenon most likely due to the increasing number of internet cafes in Brazil. The spread of internet news and the development of advocacy agencies have been extremely important to the political education of Brazilians, and web-sites such as *Trasparência Brasil* have been key players in this process. An example of a new tool being used by voters is the program called *Excelências,* implemented by TB. This project was created in August 2006 to provide information about candidates seeking re-election for the Chamber of Deputies in the incoming October elections and it received around 7.4 million visits during that period, making this project a very successful tool for informing voters of a candidate's wrongdoings (Transparência Brasil 2007). But there are also other traditional media outlets that are important in Brazil today.

Brazilian Electoral Laws

The Brazilian political system has many characteristics making it a unique system that may make it more difficult to punish corrupt politicians during the elections. In regards to congressional elections

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there are a few aspects of the system that need to be addressed when studying voting behavior as well as when studying the behavior of politicians. These include the open list system, low party ID among voters, and other election rules.

Brazil's electoral rules for the Chamber of Deputies (*Câmara dos Deputados*) are slightly different from other countries' electoral rules for the equivalent institutions. While party-list or closed list proportional representation systems are more common, where a rank-order system is previously established by the party, the Brazilian system uses an open-list proportional representation, in which votes determine the candidates' position within each party. In the open list PR system voters cast a vote for one deputy and this vote cannot be transferred to other individuals. Seats are distributed first to parties based on the total number of votes obtained by their candidates, then to candidates within the parties based on the number of individual votes (Mainwaring 1991). Based on this election format voters will determine the order of candidates elected and the parties have no say in the matter. Such a system weakens party authority and promotes an individualistic campaign, as opposed to a platform based on programmatic or ideological issues (Power and Roberts 1995).

Another characteristic of the Chamber of Deputies election is the high number of candidates. According to Power and Roberts (1995: 799), "each party is allowed to present one and half candidates for each seat available, and interparty alliances increase the number of candidates permitted." Table 1 shows the number of candidates and the number of seats in selected states for the 2006 election:

Table 1

Candidates and Seats[4]

State	Seats	Candidates	Candidates/Seats
Sao Paulo	62	952	15.35
Rio de Janeiro	36	707	19.64
Acre	7	50	7.14
Tocantins	8	70	8.75
Bahia	39	216	5.54
Rio Grande do Sul	31	279	9.00

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[4]   Source: Tribunal Superior Eleitoral (TSE 2006)

The high number of candidates together with the open list PR system creates an environment where individualism becomes the norm not only in legislative voting, but also in campaigning, leading to a system some call party underdevelopment (Samuels 2006). Not only does Brazil have a system that is highly individualistic but the system encourages party fragmentation. As a consequence of the aspects discussed above, Brazilian voters will generally vote for a candidate and not for the party. With the exception of the Worker's Party (PT), a party that experiences high party attachment around Brazilian voters, most over two thirds of Brazilian voters do not express any partisan identity (Samuels 2006).

The open list PR system, together with the high number of parties, create an environment in which the Chamber of Deputies elections are generally run on platforms that will promote clientelism, individualism, and personalism instead of programmatic appeals. This environment makes political campaigns that are focused on the candidate instead of on the political issues, making campaign expenditure an important part of the re-election equation. According to Samuels (2001: 33), "when candidates under open list proportional representation face increased intraparty competition, they must raise and spend money in order to stand out from the crowd."

The turnover ratio in the Chamber of Deputies is high. In 1990 only 40% of incumbent deputies were reelected for the next term (Ames 1995) and in the 2006 elections a total of 52.4% of incumbents were reelected (DIAP 2006). It is important to note that not all incumbents ran for reelection, but the number is nevertheless high: 84.4% of incumbent deputies ran for a new term in 2006 (DIAP 2006). The probability of losing the reelection campaign also may have played a role in the past elections but some changes in election rules in 2006 could have influenced the decision to run by some incumbents. New electoral rules pushed for a diminished campaign spending as well as the prohibition of billboards, t-shirts, and hats, making campaigns more favorable to candidates with established names- incumbents- and consequentially preventing some candidates that may have had good chances of being elected from seriously looking into fighting for a seat in the Chamber (DIAP 2006). Nevertheless, candidates will most

likely continue to spend a considerable amount of money in campaigns and this expenditure may play an important role in their chance for re-election.

While turnover is still high the odds may have been better for incumbents in the 2006 elections, encouraging more candidates to run for reelection. The reelection rates at the national level and at the state level must be taken in consideration when studying the impact of corruption accusations in incumbent candidates.

Brazilian Scandals

2005 and 2006 were years of political turmoil in Brazilian national politics. Two major political scandals involving many levels of government generated great discontent by the Brazilian population, and in these two scandals congress was the institution that had the greatest number of individuals involved. But were these scandals a clear case of corruption? In order to answer this question I will briefly describe the two incidents.

The first political scandal led to the creation of a new word in Brazil: *mensalão* (or "big monthly"). The scandal is a consequence of Congressman Roberto Jefferson's allegations that the governing Worker's Party (PT) had developed a plan to pay monthly "fees" as high as $12,500 to congressmen from two parties, the Populist Party (PP) and the Liberal Party (PL) to ensure that congressmen from these parties would vote to pass legislation deemed important to the government (Zobel 2005; Folha Online 2005)[5]. At the initial time of the accusations, in June 2005, Jefferson did not provide any proof of this system, but as days went by new allegations and accusations started to appear in Brazilian media. Two examples of news related to Jefferson's accusation were the allegations by congressman Raquel Teixeira, of the Social Democratic Party (PSDB), that she was offered a large sum of money to switch political parties; and the allegation by Fernanda Sommagio, a former secretary to entrepreneur Marcos Valerio, that suitcases full of money were transported to and from Valerio's

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[5] Roberto Jefferson was the leader of the Brazilian Labor Party (PTB) in 2005.

advertising company and that these suitcases were most likely going to congressmen in Brasilia (Folha Online 2005).

As a consequence of the allegations described above, a parliamentary investigation committee (*Comissão Parlamentar de Inquérito* or CPI) was established to determine if such a system actually existed in the Chamber of Deputies. The investigation focused on 19 congressmen in connection to the *mensalão* system and eventually resulted in the expulsion of three congressmen, including the whistleblower Jefferson, who the commission concluded was one of the key members of the payoff system. Out of the 16 remaining congressmen accused, four resigned before being charged with anything (three of those were still able to run for re-election in the 2006 election), 11 were absolved from any guilt, and one investigation was still pending at election time in 2006.

While the 11 absolved congressmen were considered innocent according to the CPI their reputations were considerably tarnished after the scandal. The media portrayed these politicians not as innocent men unfairly accused of a crime, but as criminals that were not charged due to the lack of evidence present. The population saw these politicians as part of the system regardless of the verdict given by the CPI, and while they were not fully charged for the accusations, it was believed that these congressmen were at fault somehow, and were involved, even if indirectly, with the whole system. In a survey conducted in June 2005, IBOPE (2005) found that 43 percent of the population believed that there were many politicians involved in the scandal while only 3 percent believed that no politician was involved in the case, while 24 percent of the population believed that the Roberto Jefferon's accusation were completely true, 37 percent believed that most accusations were true, and only 10 percent believed that accusations were completely false.

According to Folha Online (2006), many deputies were accused of receiving money directly from Marcos Valerio's businesses but were able to explain why the money exchange was legal, but even though these politicians justified the legality of these transactions it was clear that most of them had direct contact with individuals known to be involved in the bribe scheme, making their credibility with the media and with voters diminish considerably. But even a tarnished reputation did not stop these

congressmen from running for re-election, since 9 of the 11 accused were candidates in the 2006 elections.

The second scandal to rock Brazil's political world before the 2006 congressional elections also had a catchy nickname: *a máfia dos sanguessugas* (the blood-suckers mafia). Also known as the "ambulance mafia", this scandal involved entrepreneurs, both houses of Congress, the Health Ministry, and the Association of Municipalities of the Mato Grosso State. Brazil's Federal Police (PF) cracked down on a system that sold overpriced ambulances to municipalities across the country. In the system, mayors would request ambulances through a broker (an individual named Jose Wagner dos Santos) who promised to provide ambulances much quicker and without the bureaucracy of the "normal" channels. After mayors agreed on the system, deputies and senators would pass legislation approving the money for these ambulances that would be provided by Planam, a company specialized in ambulances, and given to the municipalities. The ambulances were overpriced by 10% and were not fully equipped, leaving the municipality with a not fully functioning ambulance (Recondo 2006).

In the process of providing these ambulances a number of individuals received *propinas* (bribes), and the investigation led the PF to believe congressmen were part of the group of individuals receiving bribes. The investigation was not fully completed by election time in 2006 but by that time the PF already had the names of 72 congressmen who were believed to be involved in this corruption ring. Out of the 72 congressmen accused 69 were federal deputies, and while two of these deputies resigned after these accusations reached the media the great majority ran for re-election in the 2006 elections.

So are the *Mensalão* and *Sanguessugas* scandals acts of corruption? Even if cultural differences and public opinion are considered, these two scandals will be considered corrupt acts. In these two events politicians were accused of misusing their public offices for private gain: *mensalão* accusations tied politicians to large sums of money offered to them as an inducement for voting a certain way in congress, while s*anguessugas* accusations tied politicians directly to bribes, while also connecting them to the provision of unsafe public goods (inefficient ambulances). In both instances, politicians are taking money for private gain by misusing (or abusing) their powers as public officials, making these two acts clear

corrupt acts not only according to Lira's definition of corruption but also according to the reality of Brazilian public opinion. In the case of both scandals the public outcry was clear in the country, and none of these acts were taken lightly by the media and by the population.

Information, Corruption, and Re-Election: Determinants of Electoral Success

The discussion of corruption allegations and voting behavior leads to one central question: Do voters punish corrupt politicians? But when looking at this question within the Brazilian political perspective it is necessary to take a few other factors in consideration. The possibility of changing parties, the access to information by voters, and the amount of money spent campaigning are all key aspects of Brazilian politics that need to be taken in consideration when asking the simple question "do voters punish corrupt politicians?" This section will explore what questions should be asked in order to answer our original questions and what variables we will be using in order to answer these questions.

Peters and Welch (1980) concluded that in some cases corruption accusations will lead to a diminished number of votes but that will not necessarily mean electoral defeat. The reasons for such a phenomenon are strongly related to the nature of U.S. politics where the bipartisan system, together with the perks of seniority by Congressmen, benefits certain politicians accused of corruption. While the Brazilian political system differs greatly from the U.S system, politicians may be able to lose some votes in Brazilian elections and still be re-elected if they are able to use the system to their advantage, mainly by switching parties and taking advantage of the possibility of needing less votes to be elected. While Brazilian Congressmen will not be able to sustain the same losses sustained by their U.S. counterparts[6], they may nevertheless be able to absorb some of the impact of being accused of corruption.

Therefore this research will ask two specific questions summarized below:

Hypothesis 1:   Incumbents accused of corruption will have a lower probability of being re-elected than those who are not accused of corruption.

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[6]   According to Peters and Welch (1980: 704) certain incumbents may be able to sustain a loss of 2 to 3 percent. In many cases 2 to 3 percent of votes is what candidates need to be elected in Brazilian Congressional elections.

<u>Hypothesis 2:</u> Incumbents accused of corruption will have a higher probability of suffering a loss in the relative number of votes in 2006, compared to the 2002 election, then those who are not accused of corruption.

In order to test these hypotheses we will take in consideration the peculiarities of Brazilian politics and while some of these characteristics can be translated to the Brazilian system as a whole others are peculiar of the 2006 elections.

Corruption, Media Exposure, Campaign Finance, and Party Change

The 2006 elections were peculiar at least in one sense, the presence of two major corruption scandals. As election time got closer in October 2006, some of the Deputies accused of corruption in these two cases decide to not attempt re-election, but a great majority of these politicians ended up fighting for a new term. A total of 66 (out of 87) deputies accused of corruption in these two scandals ran for re-election, or 75 percent of the accused deputies. Taking the whole number of candidates running for re-election, including the ones accused of corruption, the rate of incumbent candidacy is 76 percent. Therefore we can assert that being accused of corrupt acts was not a deterrent in attempting re-election.

This research focuses on the idea that corruption allegations in these two major political scandals will lead to the punishment of politicians, mainly through the ballot by voters that choose to not re-elect them. Nevertheless there are some other aspects that need to be addressed when determining the importance of corruption allegations when voters cast their ballot.

When taking in consideration the *mensalão* and *sanguessugas* scandals, the accused politicians came from all parts of the country: out of the 27 states (26 plus the Distrito Federal) in the union only two states (Amazonas and Piaui) did not have direct involvement with the scandals. The high level of involvement (16 percent of Deputies involved in scandals) together with the high number of states involved in the scandals make this research question even more interesting.

Even though the number of candidates involved in the scandals is important there is one fact that will help determine if these accusations will actually lead to voter's indignation and that is media

exposure. It doesn't matter how much money a politician earns irregularly if no one knows about, and therefore, we have to account for media exposure when discussing voting behavior amid corruption allegations. The Brazilian voter is becoming more aware of corruption problems in the country, and the access to alternative media, such as the Internet, is on the rise. But how can we measure media exposure? While newspaper readership in Brazil is lower than in most countries (Kinzo and Dunkerley 2003) I believe that measuring the number of articles targeting these corruption allegations is a good measure of media exposure. Newspaper articles are a good measure of what will be discussed in television shows and these two scandals were influential enough that proper coverage was given in other media outlets.

By measuring the number of articles related to both scandals and standardizing it (by dividing the number of news articles by the number of voters within a state) we are able to obtain a measure of which states provided more coverage of these issues, helping us in determining if the voter had access to information about corrupt politicians. In order to obtain these articles we used a project by TB called *Deu No Jornal*. In this project TB has compiled, since October 2004, all news articles that have any relationship with corruption among the major newspapers of all Brazilian states. Most states have at least two different newspapers that can be found in this database while some have three and even four different newspapers (Projeto Deu No Jornal 2007). By using this database we are able to get an idea of the exposure voters had to the corruption scandals and this exposure varied significantly from state to state.

There are other factors besides corruption that play a role in the re-election of politicians. As it has been discussed before in this paper, Brazil's political system is highly personalistic and the great number of candidates running for the Federal Deputy position pushes candidates to spend a considerable amount of money in the campaign process. While incumbents may have a little advantage over newcomers in the elections this advantage is not enough to guarantee re-election, as high turnover ratio shows. Therefore candidates need to make sure they are promoting their candidacy well enough to gain the necessary votes and the best way to guarantee high exposure is by spending campaign money in flyers, shirts, hats, and other promotional materials.

Campaign expenditures can have a direct impact in a candidate's re-election chances. In order to measure campaign spending we will use information provided to TSE by all candidates in regards to their campaign spending. Such information is available at the TSE website and it provides detailed information about who gives candidates money, and how much they spend. In order to standardize campaign finance expenditures, I use a simple ratio that accounts for the number of voters in each state and consequentially create a number that better translates candidates spending.

The last factor to be considered in this research is party change. In a system that promotes individualistic platforms the strength of parties is diminished, making the possibility for party change more likely. Politicians change parties for several reasons including the possibility of increasing changes for (re) election[7]. The discussion on Part II described a system in which competition among candidates within the same party is constant, consequentially creating incentive for politicians to change parties if this move will lead to fewer votes needed for a successful election. Between 1987 and 1990 a total of 40% of all deputies changed parties (Ames 1995) while 29% of all candidates running for re-election in 2006 changed parties between the 2002 elections and 2006. Therefore, it is necessary to account for the possibility that corrupt politicians are changing parties in order to guarantee their re-election even if their total votes diminish.

Determinants of Electoral Success

The discussion above provides us with enough information to determine what variables should be used in order to test our hypotheses. This section will briefly discuss the dependent and independent variables.

In order to test Hypothesis 1 we will use a simple dichotomous variable for re-election (1=re-elected and 0=not re-elected), while for Hypothesis 2 we will use a continuous variable that is the difference between the percentage of valid votes in 2006 and 2002 for each candidate. By using

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[7]   Politicians change parties for a variety of reasons, including: to create new parties, to change to a more favorable electoral coalition, and to rise to superior legislative functions (Kinzo 1993 and Kinzo and Dunkerley 2003).

percentage change in valid votes we are controlling for the variation in the number of voters. Brazil's compulsory voting system creates certain discrepancies in votes between elections due to the high number of absences as well as blank and null votes. Using only valid votes will provide us with a better measurement for the true difference in votes experienced by candidates.

While the dependent variables will differ between Hypotheses 1 and 2 we will be using the same set of independent variables in order to predict the results. I use four independent variables: (1) *Corruption allegation;* (2) *newspaper articles;* (3) *campaign spending;* and (4) *party change.*

The first variable being used is the key component of our central question. *Corruption allegation* will be measured as a dichotomous variable where we are defining allegation as the presence of the candidate's name on one of the lists distributed by various media outlets in Brazil. The list used in this research is a combination of a master list available at Folha Online (2006a; 2006b) containing all accused candidates in both political scandals. While these two scandals were not the only cases of corruption accusations including incumbent candidates these scandals received more media attention than any other issue, making them a better indicator of political corruption accusation for the 2006 elections.

The variable *newspaper articles* controls for the difference in the level of information between states. As mentioned before, the urban-rural divide in Brazil is still noticeable and this issue will consequently lead to a difference in the level of information available to voters. Peters and Welch (1980), Welch and Hibbings (1997), and Ferraz and Finan (2005) agree that if voters are aware of a candidate's corruption they will most likely punish this individual, therefore it is important to acknowledge that the access to information may play an important role in how voters will react come election day. As described in section B, this variable has been standardized by creating a ratio of the number of newspaper articles regarding both the *mensalão* and *sanguessugas* in each state to the number of eligible voters in the 2006 elections. By standardizing in this way we are able to determine the intensity of news coverage of these scandals across states and consequentially controlling also for the urban-rural divide, since it is probable that voters in urban states (such as Rio de Janeiro, São Paulo, and Minas Gerais) have more access to news articles about the corruption scandals than in rural states (such as Roraima, Rondonia, and

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Acre). I hypothesize that the relationship between the number of newspaper articles and candidate's re-election rates will be negative.

Campaign spending may also play an important role in a candidate's re-election chances. Brazilian electoral rules and the personalistic nature of elections create an environment where campaign spending becomes an important way to generate name recognition and consequentially increase the number of votes. This variable is also standardized by creating a ratio of the amount of money spent in the elections (as reported to the TSE) relative to the number of eligible voters in the state. This is necessary in order to control for the higher spending that will be incurred by candidates in largely populated states such as Rio de Janeiro, Minas Gerais, Bahia, and São Paulo where the need for name recognition will be higher than in less populated states such as Acre, Roraima, Tocantins, and Amazonas. I hypothesize that the relationship between campaign spending and re-election rates is positive.

The *party change* variable is a dichotomous variable (party change=1, no party change=0) that has been introduced to control for the effect of candidates switching parties in order to enter a party where the number of votes to be elected is lower than the number of votes that elected the candidate in the previous election at their previous party. While party change can be used in the way described above I hypothesize that such a change will not have a positive effect in the probability of re-election because candidates accused of corruption will incur a loss too high to be compensated by changing parties.

Results

In the 2006 elections, the so-called re-election rate for Chamber of Deputies members was 52.4 percent. But this number accounted for all incumbents, including deputies that decided not to run for re-election. By controlling for these deputies the re-election rate is a little higher at 66 percent. The total re-election rate does not take to consideration the differences between candidates accused of corruption and those not accused; therefore it is important to show this difference before discussing the results of the hypotheses testing. Table 2 provides an initial picture of the difference between candidates accused of corruption and those deemed honest.

Table 2

Re-election Rates For Candidates Accused of Corruption

	Total	Re-elected	Re-election Ratio
Not Accused	324	239	74%
Accused	65	18	28%
Total	389	257	66%

Table 2 strongly suggests that candidates accused of corruption were re-elected at a much lower rate than candidates that were not accused of involvement in the two major scandals. Therefore, it is possible to argue that corrupt politicians were punished in the 2006 elections. But were there any other factors that played a role in this election? That is what our multivariate models will try to determine.

Table 3 shows the results of a logistic regression model used to test Hypothesis 1. Based on the results of table 3 it seems clear that the corruption allegations of 2005 and 2006 had a strong negative impact on the chances of re-election. The results confirm that the two most influential factors affecting re-election in 2006 were campaign spending and the candidate's situation in regard to the *mensalão* and *sanguessugas* scandals. According to the results seen in Table 3, being accused of corruption reduces the odds of a candidate's chance of re-election by 0.14 and for every standard deviation increase in campaign spending per 1,000 voters will increase the odds for re-election a little over one time (1.004 times).

 Access to information also appears to be a good determinant of re-election: as the number of news articles increase the likelihood for re-election diminishes. For every standard deviation change in the number of articles the odds of re-election diminishes by 0.3, making the access to information an important factor in the 2006 elections. While the *articles* variable does not make a difference between candidates accused of corruption and those deemed honest, I will discuss this difference later in this section.

Table 3

Probability of Re-Election to Chamber of Deputies (Logit Estimates)

Variables	DV: Re-Election Coded 1 or 0 (Logit Estimate)	
	B	Odds Ratio
Corruption	-1.98***	0.14
	(0.32)	
Newspaper Articles	-1.19**	0.3
	(0.47)	
Spending	0.004***	1.004
	(0.001)	
Party Change	-0.61**	0.54
	(0.25)	
Constant	1.18***	
	(0.21)	
Pseudo R^2	0.16	
Log Likelihood	-206.4	
N	389	
*$p \leq 0.10$	**$p \leq 0.05$ ***$p \leq 0.01$	

While changing parties had a negative impact on the re-election chances of candidates it is impossible to determine based on this model if this party change had a greater impact in candidates accused of corruption. A total of 111 candidates switched parties between the 2002 and the 2006 elections, and only 22 of those (20 percent) were accused of corruption in 2006. When considering only corrupt candidates that meant that 33 percent of the corrupt politicians changed parties, while 30 percent of non corrupt politicians changed parties. In other words, roughly the same proportion of corrupt and non corrupt candidates changed parties between 2002 and 2006, leading to another important question: How did changing parties affect these two distinct types of candidates? Table 4 provides some answers to this question.

Table 4

Corrupt and "Honest" Candidates: The Differences

Variables	Re-election Estimates (Re-election=1, no re-election=0)			
	Corrupt Candidates		Non-corrupt Candidates	
	b	Odds Ratio	b	Odds Ratio
Newspaper Articles	-1.44	0.23	-1.27**	0.27
	(-1.004)		(0.55)	
Spending	0.005**	1.005	0.005***	1.005
	(0.002)		(0.001)	
Party Change	-1.81**	0.16	-0.43	0.65
	(0.84)		(-0.28)	
Constant	-0.45	---	1.13	---
	(-0.49)		(-0.24)	
Pseudo R^2	0.15		0.05	
Log Likelihood	-33.62		-172.6	
N	66		323	
*p≤ 0.10 **p≤ 0.05 ***p≤ 0.01				

Table 4 shows three peculiarities. First, this regression shows that campaign spending had roughly the same impact for both corrupt and non-corrupt candidates. Second, the number of newspaper articles seems to have a negative effect on the re-election of non-corrupt politicians. Third, changing parties seem to only have a negative impact on the re-election chances of corrupt politicians. While the campaign spending results were predicted, it is interesting to see that the *newspaper articles* variable has a negative impact on non-corrupt politicians, decreasing the odds of re-election of non-corrupt politicians by 0.27 for every standard deviation increase in the number of articles. This negative relationship may be due to the fact that corruption allegations make the population distrust politicians in general creating distrust even towards non-corrupt politicians.

In regards to party change the comparison between corrupt candidates and non-corrupts shows us not only that changing parties did not increase the probability of re-election, but it actually decreased the odds of re-election for corrupt politicians by 0.16. This negative relationship can be explained by the fact that these two scandals were highly publicized and voters could see that candidates seeking to change party close to the election are most likely trying to minimize the loss of votes. Therefore, changing parties

has a negative impact on corrupt politicians while not being statistically significant to non-corrupt politicians.

Based on the results discussed above, we fail to reject our first hypothesis, that corrupt politicians have a lower probability of re-election. When analyzing the results it is possible to see that information about the scandals played a role in a candidate's re-election chances, and that this information was also detrimental to candidates not accused of corruption, mainly due to the fact that politicians in general are not trusted. The results also show that campaign spending improves re-election prospects for both corrupt and non-corrupt candidates, and that party change only affects corrupt candidates negatively.

In regards to Hypothesis 2, Table 5 shows the change in votes between the 2006 and 2002 elections and what variables are significant in predicting this change. The results provide a similar outcome to those in Table 4. The *party change* variable had no significant impact on the variation in votes for politicians. However, this result was somewhat predictable due to the fact that party identification is low in Brazil. While the party membership will have an impact on the election itself, due to Brazilian political rules, this impact is not likely to be seen when measuring only votes in an election.

However, the other three variables are highly significant in our regression, meaning that being corrupt has a negative impact in re-election chances. Voters' access to information has a direct negative impact in the percentage votes a candidate will receive, and campaign spending has a positive effect on the number of votes a candidate will receive. But what if we divide corrupt and non-corrupt politicians in two separate groups? Table 6 provides us the comparison between the two groups.

Again, the results on Table 6 bring us to a similar conclusion than the one found in Hypothesis 1. Voter information has a negative impact in the number of votes received and this impact is much higher on corrupt candidates, spending has a positive impact on both types of candidates but being a more important aspect for corrupt politicians, and party change has no significant impact on the number of votes a candidate will receive.

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Table 5

Determinants of Vote Difference

Variables	DV: Percentage Change Votes (OLS Estimate)	
	b	(SE)
Corruption	-0.72***	0.19
Newspaper Articles	-0.96***	0.24
Spending	-0.001***	0.0004
Party Change	-0.05	0.15
Constant	0.04	0.12
Adjusted R^2	0.09	
F-Value	11.16***	
N	389	
*$p \leq 0.10$	**$p \leq 0.05$	***$p \leq 0.01$

Based on the results seen in table 5 and 6, we fail to reject Hypothesis 2. Incumbents accused of corruption will have a higher probability of vote loss than incumbents that were not accused of corruption. Again, access to information plays an important role in the ability candidates have to obtain votes, and campaign spending is also an important factor when determining the number of votes a candidate will have.

Table 6

Corrupt and "Honest" Politicians: The Difference in Numbers

Variables	Re-election Estimates (Re-election=1, no re-election=0)			
	Corrupt Candidates		Non-corrupt Candidates	
	b	(SE)	b	(SE)
Newspaper Articles	-1.77***	0.41	-0.51*	0.3
Spending	0.003***	0.001	0.0008*	0.0004
Party Change	0.12	0.36	-0.16	0.17
Constant	-0.4	0.3	-0.05	0.13
Adjusted R^2	0.24		0.01	
F	7.88***		2.24*	
N	66		323	
		*$p \leq 0.10$	**$p \leq 0.05$	***$p \leq 0.01$

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Conclusion

This research has illustrated two important traits of Brazilian congressional elections. First, just as in the U.S. Congressional elections, charges of corruption will have an impact on votes. Both Peters and Welch (1980) and Welch and Hibbing (1997: 237) found that "corruption charges rarely cause incumbent U.S. Representatives to resign, retire, or lose in primary races, but they do often cause them to lose votes and occasionally elections in November." This research found that involvement in the *mensalão* and *sanguessugas* scandals had a negative impact on a candidate's votes and chances of re-election, showing that Brazilian voters also punish corrupt politicians come election time. The impact on the number of votes a candidate loses because of corruption allegations can be smaller in Brazil than in the United States, but Brazilian election rules magnify the impact of losing votes, and while, according to Welch and Hibbing (1997: 227), U.S. Congressmen can "survive the loss of 6 to 11 percent in electoral margins," the same is not true in Brazilian politics, where the highest percentage of votes earned in 2006 was 10.35 percent and candidates were re-elected with as low as 1500 votes, equivalent to 0.01 percent in the state of São Paulo (TSE 2006).

Second, this research showed that being accused of corruption may not be enough to cost candidates the elections, especially in areas where information is not accessible to all voters. Just as Ferraz and Finan (2005: 23) found, "voters, once empowered with information, will hold corrupt politicians accountable." This research has also showed that the access to information will be an important determinant of the impact of corruption allegations on a candidate's re-election chances. The *mensalão* and *sanguessugas* scandals were highly publicized in Brazil, providing voters with enough information to punish politicians that they deemed corrupt. It seems clear that voters did take corruption allegations into account when casting their votes, since only 5 of the 50 candidates accused in the *sanguessugas* scandal were re-elected (Terra Online 2006) and access to information was important in these cases: based on the results found in this research the number of newspaper articles published about the scandals had a negative impact on a candidate's chance for re-election.

In conclusion, this research adds to the growing literature of corruption and voting behavior by comparing results from others studies in U.S. politics with results found in the Brazilian political environment. The findings of this research echo the research on U.S. Congressional elections: Brazilian voters will punish corrupt politicians, and access to information is very important, especially in a country like Brazil where regional disparities are high. This study opens the door for further research not only regarding Brazilian congressional elections but also regarding corruption and voting behavior in a comparative perspective. Understanding what makes voters punish corrupt politicians is an important aspect of voting behavior studies especially when analyzing developing democracies such as Brazil. Furthermore, studies such as this one should be done in other developing democracies.

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