

Elites, Redistributive Threats, and Democratic Breakdown in Latin America

Vincent Mauro

Abstract: While redistribuivist accounts argue that unequal democracies break down because they incentive elites to engage in undemocratic behavior to avoid expropriation, many unequal democracies have remained stable for decades. I argue that it is not the masses or democracy itself that elites fear, but credible ‘redistributive threats’ — or political parties espousing a redistribuivist or populist agenda. The emergence of these threats prompt undemocratic behavior among elites to inhibit their power, potentially leading to the breakdown of democracy. To theory-build I draw on the deviant and extreme case of Brazil. I then test the microfoundations of the theory utilizing a survey experiment on Brazilian economic elites, finding that priming elites to think about a redistributive threat undermines their perceptions of democracy. Finally, I test the broader theory in Latin America, finding that the likelihood of a democratic breakdown or coup is substantially higher in the presence of a redistributive threat.

Keywords: Democracy, Democratic Breakdown, Inequality, Redistribution, Political Parties, Redistributive Threats

Word Count: 11,927

⁰Thank you to Louis-Philippe Brochu, Gustavo Flores-Macías, Cameron Mailhot, Kelly McMann, Tom Pepinsky, Lindsey Pruett, Ken Roberts, Bryn Rosenfeld, Melisa Ross, Mariano Sánchez-Talanquer, Tony Spanakos, Chris Way, and Kurt Weyland for the many previous comments and suggestions that were critical to improving a number of aspects in this manuscript.

Latin America's most revered modern politician, Luiz Inácio Lula da Silva, followed the 2018 Brazilian election from prison. Despite intentions to run, he was barred from the election due to corruption charges stemming from a highly politicized prosecution. While this episode does not constitute a 'democratic breakdown,' the experience of another highly popular politician — Evo Morales — certainly passes the threshold. Morales watched the 2020 Bolivian election from exile following the breakdown of Bolivian democracy amidst widespread riots and allegations of electoral fraud. Such a clear example of democratic breakdown is less common in contemporary Latin America than past eras. Yet, from a *longue durée* perspective, the Bolivian case is far from unique. Democratic breakdowns are decidedly routine in Latin American history. Since 1900 Latin America has experienced at least 46 episodes of democratic breakdown. And while the breakdown of democracies was particularly prominent during the Cold War, it is not a relic of a bygone era. Many signs point to the durability of democracy in the region ebbing, as both Honduras and Venezuela also experienced democratic breakdowns in 2009, and there exists a cohort of countries dangerously flirting with democratic backsliding or autocratization.

In highly unequal societies elites have an especially strong predisposition to protect what they already have. Although democracy has often been presented as counter to economic elites' interests (e.g. Boix 2003; Acemoglu and Robinson 2006), democratic rule can be highly amenable to protecting the economic well-being of elites. Elites have myriad strategies at their disposal to 'lock in' institutions that protect property or uniquely serve their interests, while also placing high barriers to entry for competing interests to capture political power

(Ansell and Samuels 2014; Albertus and Menaldo 2017). Furthermore, a wide range of political and collective action factors further limit the ability for the working class and poor to behave in a highly coordinated manner and advance their collective interests. For these reasons, elites should have little to fear of the masses' ability to 'soak the rich' in democracies. But what if a threat that runs counter to the interests of elites is able to overcome these barriers and credibly compete for power?

I argue that it is not democracy itself that elites fear but rather the emergence of a redistributive threat — defined here as political parties with redistributivist goals or the capture of traditional parties by upstart politicians with redistributivist or populist goals. Political parties, in comparison to other forms of political organization, are most likely to induce fear among elites due to their unique abilities to coalesce disparate groups together around a central ideology and capture formal political institutions. Where elites' fears of democracy are triggered following the rise of redistributive threats that credibly compete for power or outright win elections, the likelihood that elites will engage in undemocratic behavior to prevent redistribution substantially increases, potentially leading to the breakdown of democracy.

With the twin goals of both building and testing theory, I draw on an eclectic set of empirical evidence. I first utilize the deviant and extreme case of Brazil to theory-build, and more specifically contribute to the development of an alternative causal pathway, or the 'political conditions,' that underpin redistributivist theories of democratic breakdown. I then test the microfoundations of the theory through the employment of a survey experiment on

a sample of 103 contemporary Brazilian economic elites, showing that elites primed to think about redistributive threats are more likely to hold less favorable views towards democracy. Finally, I test the broader relationship between redistributive threats and democratic breakdown using a cross-sectional data set on 19 Latin American countries since 1900, finding that the likelihood of democratic breakdowns are significantly higher in the presence of a redistributive threat.

This article makes a highly focused, but important and necessary, contribution. It offers an alternative causal pathway for understanding democratic breakdown through a redistributivist perspective. Recent literature has refuted the empirical evidence of redistributivist theories of democratic breakdown (e.g. Haggard and Kaufman 2012; Soifer 2013; Slater, Smith, and Nair 2014; Ansell and Samuels 2021). I break from a purely structural account and seek to theoretically develop the political conditions that connect highly unequal polities to the breakdown of democracy. Given that democracy is at best a highly imperfect form of governance for promoting redistribution, structural inequality is a poor proxy for the degree of fear elites have that their wealth or income will be redistributed in the future. There are many factors that inhibit redistribution — from formal institutions to barriers to political organization — that subdue the fears of expropriation among elites in democracies. Rather, fundamental to understanding what makes elites engage in authoritarian behavior is the presence of *credible* threats of redistribution in democracy. Not only does a focus towards how redistributive threats can trigger the breakdown of democracy have theoretical benefits for illuminating on how inequality affects democratic stability, but it also sharpens

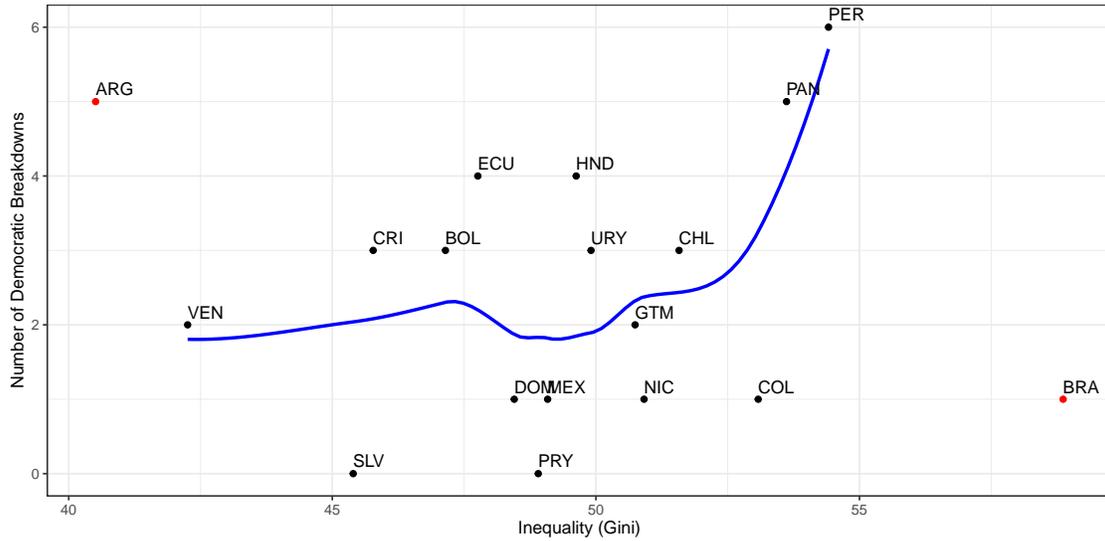
the empirical accuracy of redistributivist theories of democratic breakdown by focusing on a more predictive causal determinant.

Probing the Deviant and Extreme Case of Brazil

It has been assumed by many that democracy is inherently redistributive; an expansion of suffrage will allow the more populous, but economically disadvantaged, lower and middle classes to use their disproportionate voting power to elect redistributive-friendly politicians, resulting in the expansion of the welfare state and the amelioration of inequality over time (Meltzer and Richard 1981; Boix 2003; Acemoglu and Robinson 2006; McGuire 2010). While this assumption has served as a foundation for multiple theories, redistributivist theories of breakdown stress a perilous balance between the redistributive nature of democracy and elites' willingness to accept these conditions (Boix 2003, 37-38; Acemoglu and Robinson 2006, 37). High inequality in democracies threaten the economic position of elites — the greater the demand among the masses to soak the rich, the higher the likelihood that elites will engage in a preemptive coup to avert the risk of expropriation of their income and wealth.

Despite these theoretical contributions, redistributivist theories of breakdown have come under scrutiny for a lack of empirical relationship between inequality and democratic breakdown. In a thorough qualitative analysis, Haggard and Kaufman (2012) find less than half of breakdowns align with redistributivist expectations, while Ansell and Samuels (2021) apply a bevy of quantitative analyses to show that inequality is a poor predictor for democratic

Figure 1: Inequality and Democratic Breakdown in Latin America



quality and survival. Furthermore, Slater, Smith, and Nair (2014) find that democracies that redistribute more income are *less* likely to breakdown.

I do not seek to rehash these important empirical debates. Rather, the goal here is to map the broader relationship in search of outliers, in order to leverage their properties to better understand the relationship between inequality and democratic breakdown. To those ends, I plot the bivariate relationship between structural inequality and the cumulative number of democratic breakdowns among Latin American countries since 1900.¹ As Figure 1 shows, there is a positive relationship between inequality and democratic breakdown, albeit a weak one. More importantly, there are two clear outliers: Argentina and Brazil. Argentina has experienced among the most democratic breakdowns since 1900 yet has the lowest average inequality in the region. In contrast, Brazil is the most unequal country in the region but

¹The y-axis is total number of episodes where either a democracy or semi-democracy has a major democratic violation, as per coding rules of Mainwaring, Brinks, and Pérez-Liñán (2009). The x-axis is the mean of all pre-tax, pre-transfer income Gini observations since 1900, sourced from the Standardized World Income Inequality Database (SWIID).

only experienced one democratic breakdown.

I select the case of Brazil for its particularly high extremeness and deviance from theoretical expectations. No case selection strategies are more appropriate for theoretical exploration than choosing cases which deviate from theoretical expectations and possess extreme values on the independent variable (Gerring 2007; Seawright 2016). In particular, extremeness on the independent variable is highly effective for parsing out alternative causal pathways, due to the high probability that the pathway of interest is capturing a large share of the overall effect connecting X with Y (Seawright 2016, 509). Furthermore, deviant cases — due to their abnormal error terms — are especially helpful for identifying causal heterogeneity, providing an especially robust environment to discover new information about causal pathways (Seawright 2016, 504). Brazil exhibits the highest extremeness on average inequality, with a standardized z-score of 2.18. Brazil is also deviant, given that it possesses staggeringly high inequality yet has experienced only one episode of democratic breakdown despite nearly six decades of democracy.

While deviant and extreme cases can be powerful tools for theory-building, it is also important to point out what this case study is *not* designed to do. Although case studies in comparative politics have often traditionally been utilized to *test* theories or alternative causal mechanisms, it is used for largely the opposite purpose here: Brazil provides a space of gestation to build an alternative redistribuivist theory of democratic breakdown. In turn, we should not be overly concerned with a full account of Brazil's political history, which is outside of the scope of this article, or the accuracy of the theory developed later in this article

and its relation to the case of Brazil. Rather, Brazil supplies the first basic set of “political conditions” that connect inequality to democratic breakdown, which are then theoretically built upon later in the article.

República Populista, Goulart, and the Golpe de '64

Brazil’s first true experiment with democracy — the ‘Fourth’ Republic — began in 1946 following the resignation of the revolutionary and populist authoritarian regime led by Getúlio Vargas. While moderate Eurico Gaspar Dutra’s victory marked a clear break from the previous regime, at least a portion of the previous regime’s popular base entrenched itself in the *Partido Trabalhista Brasileiro* (PTB). Yet, the PTB was also heterogeneous and the pro-Vargas left-wing and populist factions found themselves among a diverse set of conservative, moderate, and clientelistic networks, reducing their power and rendering the Brazilian left largely non-threatening to many elites. Even when Vargas returned to power in the democratic election of 1950, his inability to build coalitions against the more unified conservative opposition led by the *União Democrática Nacional* (UDN) contributed to his political demise and eventual suicide in 1953.

Serious trepidation towards democracy began to emerge when President Jânio Quadros unexpectedly resigned from office in 1961. Quadros’s resignation sparked a political crisis, given that João Goulart, a former protégé of Vargas, was next in the line of succession. João Goulart was looked upon with contempt by conservatives and the military primarily because of his sympathy towards left-wing politics (Dulles 1978, 250-251). Before Goulart even took office a military junta was formed, requesting his immediate impeachment. The fears of top

military officials were clear:

“At the time that he was Minister of Labor João Goulart has already clearly demonstrated his ideological tendencies encouraging and even promoting successive and frequent agitations in organized labor circles, with evident political objectives and prejudice against the real interests of our working classes. And it is no less true that there was a broad infiltration that, around that time, took place in the Ministry, even in key positions within the administration, no less in labor unions, active and known agents of international communism, in addition to countless leftist elements” [translation by author].

— ‘*Mensagem 471*’ (Manifesto from Military Junta), August 30, 1961²

These type of concerns were also shared by many economic elites and conservative politicians from the UDN. However, legislators were reluctant to cower to the military’s demands, fearing that blocking Goulart from taking office would have deleterious effects on democracy and undermine their own power in the future.³ Eventually a compromise was reached, permitting Goulart to become president conditional on the severe curtailing of his powers (Labaki 1986, 102–133).

The rise of Goulart was not the only political development that elites found threatening in the early 1960s, as both a growing incorporation of the urban and popular sectors into parties and the PTB’s movement to the left exacerbated their concerns. Although mass incorporation was far from exemplary in 1946-1964 Brazil, growing urbanization and popular sector organization, particularly among the political left, drew power away from traditional rural clientelistic and oligarchic machines towards more mass-based parties (Hagopian 1996, 63-72; Mainwaring 1999, 71-83). The dominant faction within the PTB also veered to the left, aligning the party with more redistributive-seeking ideologies and enhancing polarization between the PTB and conservative UDN (Santos 1987).

Throughout much of the ‘República Populista’ the three major political parties remained

²Andrade, Auro Moura. 1985. *Um Congresso contra o arbítrio: diários e memórias*. Rio de Janeiro, RJ: Nova Fronteir.

³Congressional debates reveal relatively minimal support for the military’s proposals, particularly among the left and center-left. See: Anais da Câmara dos Deputados de 29/08/1961, pgs. 71-213.

Table 1: Public Support for the ‘*Reformas de Base*’ in the State of São Paulo, March 1964

	Absolutely Necessary	Necessary	Not Necessary	Don't Know
São Paulo	40%	39%	7%	14%
Araraquara	39%	24%	7%	30%
Avaí	52%	17%	6%	25%

Source: Instituto Brasileiro de Opinião Pública e Estatística, Arquivo Edgard Leuenroth. N = 950.

ideologically anchored due to their inherent heterogeneity, yet in the early and mid-1960s the PTB and UDN began to sort themselves along a clear redistributivist-conservative dimension.

Goulart then broke with centrist factions within the PTB (Skidmore 1967, 224-233), as well as signaled hard movement to the left in speech on March 13 1964 that called for a series of social reforms: the ‘*Reformas de Base*.’ The *reformas de base* were ambitious and expansive; Goulart called for land reform, in addition to other social reforms, as well as the socialization of profits from the banking sector. Despite the popularity of the *reformas de base* (see Table 1), the opposition to these reforms among landed elites, the business sector, and conservatives was intense (Skidmore 1967, 246-247; Cohen 1987, 40). To advance these reforms, Goulart formed a coalition — the ‘*Frente Popular*’ — comprised of left-wing factions in the PTB, other major and minor parties, and trade unions (Ferreira 2013, 131). The combination of the PTB’s movement to the left, as well as Goulart’s efforts at realigning the PTB with other left-wing parties and groups, clearly signaled the emergence of a significant redistributive threat to elites and conservative circles. Just over two weeks later the military deposed Goulart in a coup on 1 April 1964, ushering in two decades of military rule.

Nova República, the Rise of the PT, and the 2018 General Election

With organizational roots in the militant labor union movement at the center for the struggle for

redemocratization, the *Partido dos Trabalhadores* (PT) stood out in the Brazilian party landscape as both highly organized and a staunch advocate for the statist redistribution of wealth and income (Keck 1992). Unlike many contemporary Brazilian parties based on clientelistic and weakly rooted organizational structures (Mainwaring 1999), the PT built a robust network of local grassroots organizational units, as well as embedded itself within a vast array of civil societal organizations (Keck 1992; Baiocchi 2005). Finally after three previously unsuccessful attempts, Lula and the PT won the presidency in 2002.

While the PT certainly heavily moderated its platform from one built on socialist principles in its formative years towards a center-left and less interventionist counterpart (Hunter 2010), it is also true that under Lula Brazil experienced the most substantial, and unprecedented, wave of redistribution in its democratic history. Building upon reforms of his predecessor — President Fernando Henrique Cardoso of the center-right *Partido da Social Democracia Brasileira* — the Lula administration implemented a number of social policies, most notably the centralization and expansion of the *Bolsa Família* conditional cash-transfer program and a series of successive increases in the minimum wage. Coupled with strong economic growth driven by a commodities boom, as well as the social initiatives advanced under the PT, income inequality dropped by some 15 percent according to many measures of income dispersion. Yet, an ideology centered on advancing redistribution was not the only aspect of the PT that elites feared. The PT also became a credible, and highly successful, threat — nearly two-thirds of all Brazilians who identified with a party were supporters of the PT by 2010 (Samuels and Zucco 2015). Furthermore, the PT's early investment on their organizational capacity made them a consistent electoral threat every election and a mainstay as one of Brazil's most powerful parties in Congress.

With an impressive political machine behind a party that many elites considered to be a threat

to their interests, Brazilian democracy began to unravel. First, President Dilma Rousseff, Lula's hand-picked successor, was removed from office in 2016 following a highly politicized impeachment process. More importantly, when the heavily favored Lula attempted to rerun for president in 2018, he was imprisoned and barred from participating due to corruption charges laid in an investigation often referred to as the '*Lava Jato*.' With its most popular candidate unable to run, the PT lost the election to Jair Bolsonaro. There is little doubt that *Lava Jato* was partly utilized as a means to undermine the PT and prevent Lula from being re-elected, as internal documents later leaked in the press revealed.⁴ Furthermore, on 23 March 2021 the Brazilian Supreme Court ruled that key officials involved in the investigation were partial and lacked jurisdiction in the conviction of Lula, annulling the corruption charges, prompting his release from jail, as well as the restoration of his political rights.

Elites, Redistributive Threats, and Democratic Breakdown

What does the case of Brazil reveal about the relationship between inequality and democratic breakdown? As a baseline, it shows that unequal democracies may never experience the type of redistribution that Meltzer-Richard models predict. While I have entirely focused on periods where a redistributive threats did emerge, Brazil's democratic history is more emblematic of a *lack* of redistribution than the emergence of redistributive threats — and these redistributive limits of democracy should provide clues to why many unequal one remain relatively stable.

Given the trepidation towards popular forms of democracy that may run counter to their economic and political interests, a common strategy elites have pursued is to 'lock in' institutions that prevent or mitigate future redistribution in democracies (Albertus and Menaldo 2017, 584). Many

⁴See, for example: "Procuradores da Lava Jato tramaram em segredo para impedir entrevista de Lula antes das eleições por medo de que ajudasse a 'eleger o Haddad,'" *The Intercept*, 9 June 2019.

of these locking institutions constructed by Latin American elites were designed to hinder access to political power for the popular sectors, such as for example the long-lasting 1886 Colombian and 1957 Argentine Constitutions that required senators to own property and possess minimum incomes of 20 times the national average.

Outside of institutions designed to exclude certain parts of society from power, elites have also long feared the potential dangers of political parties in democracies, particularly their vulnerabilities of becoming vessels for the masses or popular factions to pursue power. The Founding Fathers held deep reservations of their populist tendencies, with Alexander Hamilton famously stating that party-spirit was a “most fatal disease” of stable governance.⁵ Simón Bolívar passionately argued for the concentration of political power in the Americas because the “party spirit had its origins in the social groups, assemblies, and popular elections, and these parties returned us to slavery.”⁶ These fears no doubt prompted efforts of institutional design to lay obstacles for parties. Madison was so fearful of the rise of ‘factions,’ that he spent much time advocating for, and eventually succeeding in, the codification of a complex set of formal institutions designed to quell their power or ability to capture all branches of government.⁷ It should be no surprise then that many locking institutions have directly targeted political parties, such as baking in roughly 50 percent representation from conservative parties and the outright banning of working class parties.⁸

Brazil is certainly no exception, as dating back centuries Brazilian elites have either been skeptical of the utility of political parties or outright hostile to them (Lamounier 1974). For

⁵Hamilton, Alexander. *The Defence No. I*, [1792–1795].

⁶Bolívar, Simón. *The Jamaica Letter: Response from a South American to a Gentleman from This Island*, [1815].

⁷See, most prominently: Madison, James. *Federalist #10*, [1787].

⁸Chile’s 1980 Constitution written under military dictatorship famously implemented a bimodal system that effectively capped left or center-left parties at roughly half of the seats of the national legislatures. Guatemala’s 1956 Constitution, for example, explicitly outlawed the *Partido Guatemalteco del Trabajo*.

much of early Brazilian history, parties were only permitted to advance the narrow interests of the oligarchic elite, and were eliminated in cases where they ran counter to the interests of those in power (Mainwaring 1999). Indeed, the political compromise reached between the legislature and military to convert Brazil into a parliamentary system in an effort to clip the powers of Goulart was a naked form of ‘locking’ — Brazilian elites purposely constrained the powers of the presidency and cabinet to prevent a redistributive threat from advancing their agenda. Contemporary elites during and following redemocratization were also reluctant to invest in strong parties (Power 2000), where a number of institutions and an unfavorable electoral system were constructed to limit the organization of parties and the party system.

Institutions are not the only limiting factor to redistribution, as strong political organization centered around a redistributive agenda has often proved elusive in many democracies. Revolutions from below aimed at displacing elites and fundamentally altering the economic and political system have been exceptionally rare (Skocpol 1979). Redistributive demands are less concentrated in the lower and working classes, and more diffused across society, than previously believed (Blofield and Luna 2011; Morgan and Kelly 2017; Bogliaccini and Luna 2019). Even when the popular sectors have organized in Latin America, it has often been co-opted by the state (Collier and Collier 1991), or largely subsumed inside of heterogeneous and elite-based political parties (Roberts 2014). Also common is clientelism being harnessed as form of welfare state where votes are exchanged for short-term distributional goods (Kitschelt 2000; Kitschelt and Wilkinson 2006), leading to both the dampening of political organization centered on redistribution and the long-term persistence of inequality. Brazil has been no stranger to the latter, where clientelism contributed to the continued fragmentation of society and a lack of equity-enhancing social reforms following democratization (Weyland 1996). In turn, given wide latitude to construct locking institutions into the system, as

well as a number of other political conditions that inhibit redistribution, elites should have little fear of democracy itself — even highly unequal ones.

The deviant and extreme case of Brazil should also reveal another key linkage between inequality and democratic breakdown: Brazil's democracy has been on its most shaky ground when a political party aligned with redistributivist principles was able to emerge and threaten elites. If elites have long feared political parties, and parties aligned with redistributive agendas have been at the root of the weakening and breakdown of democracy in Brazil, what makes them so particularly threatening to elites interests?

Political Parties as Redistributive Threats

I argue that political parties are the organization most capable of challenging the socioeconomic status-quo due to two primary reasons: (1) political parties are capable of coalescing individuals and groups around a shared collective ideology, and (2), are uniquely capable of capturing formal political institutions to implement substantive economic and social reform.

Political parties are extremely powerful institutions for constructing collective identities and coalition-building. While the formation of political parties is in part dependent on already existing conflicts or social cleavages (Lipset and Rokkan 1967), parties themselves contribute to the crystallization of political and social identities (Green, Palmquist, and Schickler 2002). This process of identity formation is both dynamic and self-reinforcing; individuals may associate with a party because they self-identify with what that party already represents, but individuals also begin to take on additional traits of that identity over time. Parties are also instrumental in performing a binding function, holding disparate social groups together around collective identities (De Leon, Desai, and Tuğal 2009). Both of these aspects — the ability for parties to mold political identities

and strengthen bonds between disparate social groups — provide an opportunity structure for the emergence of a redistributive threat. Individuals with previously weak redistributive interests may take on or solidify those views if they identify with a redistributive-friendly party than other alternatives. Given the highly fragmented nature of the lower, informal, and working classes in the developing world (e.g. Roberts 2002; Doner and Schneider 2016), political parties may be the only representative institution capable of coalescing together such discombobulated economic, social, and political groups around a collective populist or redistributive ideology.

The case of Brazil illustrates how certain political parties, even in party systems often classified as “inchoate,” can effectively bind together social groups or classes. It is difficult to understate the political stranglehold traditional oligarchs had over Brazilian politics during ‘*café com leite*’ era — the urban and informal sectors were disenfranchised and largely excluded from its political system for decades. This political history, as well as the authoritarian military regime, had profound impacts on the structuration of Brazilian society and the fragmented nature of its popular sectors (e.g. Mainwaring 1987; Weyland 1996). Yet, the PTB provided the seeds of a collective identity among disparate urban and working classes centered on populist and redistributivist ideas propagated by major political leaders such as Leonel Brizola, João Goulart, and Getúlio Vargas. The PT has served much the same function, stitching together fragmented social groups and classes across many highly varied regions of Brazil around left-wing and social democratic ideologies.

Second, political parties are dangerous to elites due to their unique ability to launch multiple individuals into elected positions and capture formal political institutions. The legitimate exercise of political power in democracies runs predominantly through political parties. There exists no other organization so accessible to the public with greater potential to capture and control the legislative and executive branches, as well as significantly shape policy-making or redistributive

outcomes. Many of the world's most robust welfare states were constructed following the emergence of organized social democratic parties that were able to capture the political system (Stephens 1979; Huber and Stephens 2001; Huber and Stephens 2012). That does not imply that other forms of political organization — from labor unions, to interest groups and social movements — cannot induce policy change. However, substantive changes to taxation systems or the implementation of broad and redistributive social programs necessarily requires some degree of concentrated power within formal political institutions, the latter of which is unlikely in the absence of organization through political parties.

Taking these functions together, political parties are indispensable for overcoming institutional and societal obstacles that impair individuals' and groups' ability to coalesce together and push for redistributive outcomes. Despite these benefits of political parties for redistribution, it does not follow that the emergence of redistributive threats are *guaranteed* in unequal societies nor are political parties *necessarily* effective at redistributing wealth or income. Many political parties provide very little redistributive function, and may even be antithetical to redistribution. There remains profound variation in the types, or behavior, of political parties and party systems across all polities, and societies may be ruled by highly oligarchic and elitist parties for decades, never see the rise of a redistributive threat or upstart populist, or be marred in an endless cycle of inchoate party systems with little to no organization. Rather, in the event that a redistributive threat does emerge to challenge the socioeconomic position of elites, it is most likely to come in the form of a political party.

Redistributive Threats and Democratic Breakdown

Even in the most optimally designed institutional environment, no democracy is immune from

the potential emergence of a highly organized party with redistributive goals or the capture of a traditional party by an upstart redistributivist or populist. This is particularly true in unequal societies, which may provide fertile ground for the economically disadvantaged to organize in advance of their redistributive interests (Lipset 1959; Gurr 1970; Dahl 1972; Boswell and Dixon 1993). Although the emergence of redistributive threats is certainly not *inevitable*, over the *longue durée* highly unequal societies with exclusionary institutions are likely to eventually breed the rise of a political party that, at least in part, is centered on the redistribution of income or wealth. Then, in the event of the emergence of a redistributive threat, what is likely to occur?

I argue that redistributive threats are fundamentally destabilizing to democracy because “all that really matters for democratic stability is that economic elites feel secure” (Coppedge 2000, 111). Virtually all democracies rest on some type of coalition or equilibrium forged between economic and political elites.⁹ However, the emergence of a redistributive threat with interests diametrically opposed to those of economic elites ruptures the stability of this coalition, often spurring behavior among elites to protect its survival. Given political parties’ unique abilities to both forge cross-cutting coalitions around a central ideology of expropriation or redistribution and capture formal political institutions, the emergence of organized redistributivist parties constitute a *credible* threat to economic elites. The fears that elites harbor in response may not even need to congruent with reality (Weyland 2014), and may also be intertwined with fears of the degradation of democracy or political order (Weyland 2019). More important is whether redistributive threats instill enough fear in economic elites to engage in, or at least pressure political elites to undertake,¹⁰ behavior

⁹The precise make-up of any given democracy’s coalition varies, as there is always some degree of competing elites and outsider factions (Albertus 2015). The basic assumption here is that the ruling coalition that underpins a democracy is comprised of at least some portion of economic elites.

¹⁰While there is always overlap between economic elites and political elites in highly unequal societies, I conceptualize political elites as those that routinely occupy high positions in the political regime, including those in high ranking military positions.

with costs often associated with terminating democracy (Dahl 1972; Ansell and Samuels 2021).

Once a credible redistributive threat emerges, I argue that the likelihood that elites begin to engage in questionably democratic behavior in an attempt to undermine the redistributive threat substantially increases. Both economic and political elites accrue benefits from preventing redistributive threats from taking or consolidating power; economic elites wish to evade redistribution or expropriation, while political elites seek to remain the dominant political faction. First, elites will often manipulate electoral and political institutions to prevent certain candidates or parties from running in, or winning, elections. The types of behavior that fall under this category are varied; from utilizing electoral fraud, the preemptive postponement of an upcoming election, or the barring of political candidates or parties — as was the case when the highly favored Lula was barred from running in the 2018 Brazilian election for political motives. There also exists a range in gravity, from minor instances of questionably democratic behavior under the guise of political competition (i.e. modifying electoral rules in the lead-up to an election that favors one particular side) to the more serious (i.e. banning particular parties). However, all these strategies share the characteristic of *involving the active attempt to undermine certain parties or candidates in elections through questionably democratic or undemocratic means*. Although these actions do not necessarily lead to democratic breakdown — democracies can continue to hold elections and survive long after these developments — it at the very least undermines the quality of the democracy, or its future stability.

In the event that redistributive threats are able to win elections and capture the presidency and/or legislature, elites can also decide to engage in the active and undemocratic removal of elected officials, typically but not exclusively, through force or military coup. When a redistributive threat comes to power and begins to implement their redistributive agenda, elites are left with two op-

tions: (1) choose to endure the period of redistribution, or (2), coalesce to remove the redistributive threat from power. Given that elites are likely to be particularly driven by loss aversion, there is a non-trivial probability of the latter despite the high costs associated with eliminating democracy. Indeed, authoritarian attitudes are likely to increase among elites when faced with a credible threat (Stevens, Bishin, and Barr 2006). Removing elected officials from office typically requires a complicit agreement between economic and political elites, where explicit or tacit support for the undemocratic ousting of the redistributive threat involves “selective benefits” (Houle 2009, 597-598). That is, economic elites that fear redistribution are likely to receive privileges from the new authoritarian regime that carries out the coup. Contrary to behavior geared towards weaponizing electoral or political institutions against redistributive threats, there is little uncertainty that the removal of elected politicians or parties through undemocratic means marks a sharp breakdown of democracy.

We should not assume, *prima facie*, that when threatened elites will engage in undemocratic behavior while redistributive threats are wholly democratic actors; the process in which democracy can unravel following the emergence of a redistributive threat is dynamic. Elites do not possess a predisposition to engage in authoritarian behavior, and often have more favorable views towards tolerance and democracy than the general population (e.g. Sullivan et al. 1993). Furthermore, redistributive threats do not always behave in an entirely democratic fashion. Given the institutional obstacles often stacked against them, redistributive threats may apply tactics that skirt the democratic “rules of the game.” In the case of Brazil, Goulart had skepticism of being able to garner the necessary legislative support for his *reformas de base*, and instead sought to implement the reforms through executive decree and expanded presidential powers (Skidmore 1988; 14-16). In other cases, redistributive threats themselves, in an effort to preemptively avoid removal or consolidate

power, are the ones who eventually pull the trigger on democracy.¹¹ In other words, the interplay between redistributive threats and elites is dynamic, and the final event that definitively leads to the breakdown of democracy may be one of many successive tit for tat events between competing actors. The main thrust of the argument made here is that the emergence of credible redistributive threats increase the likelihood that elites engage in undemocratic behavior, not whether elites are the only actors in the game that contribute to the breakdown of democracy.

Testing the Theoretical Microfoundations

While it is not possible to know precisely how elites perceived Goulart and the PTB in the lead-up to 1964, or their level of support for the military coup, is it possible to test the microfoundations of the theory in contemporary Brazil? As stressed earlier, the precarious relationship between elites, redistributive threats, and democracy is not limited to a bygone era; there are signs that the reemergence of Lula and the PT is placing strains on Brazilian democracy. With the goal of directly testing how redistributive threats affect elites' perceptions of democracy I fielded a survey experiment on a sample of economic elites in Brazil.

I have theoretically emphasized that economic elites are particularly susceptible to fearing the emergence of a redistributive threat, which sets into motion undemocratic behavior among the dominant elite coalition, and are therefore the most appropriate population to draw from to test the microfoundations of the theory. However, drawing from this population does incur a number of limits to the research design; sampling economic elites is one of the most challenging tasks in political behavior research. Economic elites are particularly difficult to access given their employment of

¹¹Perhaps most notably, Gabriel Terra of the Colorado Party dissolved Congress and assumed dictatorial powers in 1932 in Uruguay and Hugo Chávez initiated a number of measures to end democracy in Venezuela. Most recently, the *Frente Sandinista de Liberación Nacional* under Daniel Ortega has succumbed to authoritarianism in its latest election.

a bevy of gatekeepers, greater incentives to closely guard their personal information or political beliefs, as well as possess highly demanding personal schedules (Page, Bartels, and Seawright 2013). Another obstacle is a dearth of lists of wealthy individuals available from which to randomly sample from — the gold standard would be to randomly select individuals from tax revenue data, but this information is highly guarded with confidentiality protections. Given these constraints, I chose to draw a sample from a subset of the universe of economic elites: individuals that occupy top positions among the largest companies in Brazil. While this sample does not capture all types of economic elites in Brazil, I can be confident that every individual included in the sample can be considered, by any definition, part of the economic elite class — each undoubtedly fall within the top 1 percent of income in Brazil, and occupy a position in the business community that allows for substantial access to, or the potential of influencing, elected or governmental officials.

The sampling strategy first relied on constructing a list of approximately 3000 individuals drawn from top executives and board members of the top 700 revenue earning companies in Brazil.¹² The survey, conducted by telephone, was fielded from April 2021 to December 2021.¹³ The response rate was 5.4 percent from a total of 1,889 formal invitations to participate sent out, yielding a sample of 103 respondents. Standard ethical protocols and guidelines were followed at all stages of the survey design, implementation, and data collection process.¹⁴

My hypothesis is that when confronted with a credible redistributive threat, economic elites will be less likely to hold positive views towards democracy. To those ends, I designed a survey

¹²The list included any individual that was either on the executive board (typically comprised of the chief executive officer, chief financial officer, and other major heads of departments) or board of directors. The 700 companies were drawn from *Valor Econômico*, the largest financial newspaper in Brazil. For a full explanation of the sampling design, refer to Appendix B.

¹³The survey experiment was pre-registered in April 2021. Pre-registration plan is available upon request.

¹⁴See Appendix B for a description of the ethical considerations with regards to the elite survey portion of the research design.

experiment where half of the respondents randomly received the following treatment:

“Imagine que o Partido dos Trabalhadores ganhe a presidência nas eleições gerais de 2022 e durante sua campanha se concentraria fortemente no aumento de impostos sobre os que ganham mais para promover a redistribuição e diminuir a desigualdade [Imagine that the Workers’ Party wins the presidency in the 2022 general election on a campaign strongly focused on increasing taxes for the highest earners to promote redistribution and lowering inequality].”

The control group received no treatment. I then asked both the control and treatment groups an identical set of questions related to the upcoming election and their perceptions of democracy.¹⁵

Given the limited size of the sample, we should relax expectations for substantial differences between the control and treatment groups. A sample size of roughly 100 not only limits the statistical power required to achieve statistically significant effects, but also renders the point estimate less precise, than a traditional N of 1000, or higher, would. Rather, the purpose of the survey experiment is probe for the *presence* of an effect that aligns with the theory advanced here.

First, what kind of baseline support for democracy should we expect from Brazilian elites? There is previous demographic, sociological, and comparative evidence to infer that economic elites in Brazil — and throughout much of the democratic world — will strongly favor democracy. For one, economic elites are among the most highly educated populations in Brazil, 102 out of the 103 respondents have some formal college education; research has shown that individuals with higher levels of education are more likely to favor democracy over other alternatives (e.g. Jackman 1972). Furthermore, past research on elites in Brazil has found strong democratic attitudes (e.g. Stevens, Bishin, and Barr 2006). Given these expectations, I included the commonly-used “democracy has problems, but is better than other forms of government” as a pre-treatment question. Across all respondents the average response was 6.65 on a scale of 1-7, indicating an extremely high baseline support for democracy.

¹⁵See Appendix B for the full set of questions and their wording.

The fact that economic elites are highly likely to report that they have strong preferences for democracy does not necessarily imply that democracy is a first-order preference, nor incongruent with the theory advanced here. I do not argue that elites are anti-democratic or authoritarian in nature. Rather, the theory advances the claim that they will be less likely to value democracy *if* a credible redistributive threat emerges and competes for power. That is, elites may be supportive of democracy in the abstract, but their preferences for evading redistribution or expropriation may trump those democratic beliefs.

Second, what do contemporary Brazilian elites think of the PT in general? Negative perceptions of the PT or ‘anti-petismo’ are commonplace among many Brazilians (Samuels and Zucco 2018). Given that the survey experiment design invokes the PT as the redistributive threat,¹⁶ it is possible that more complex determinants of negative partisanship may spillover and affect the responses here. To mitigate these issues, I included a pre-treatment question that asked all survey respondents to grade the PT by likability on a scale from 1 (do not like at all) to 10 (like a lot). There was no major difference between the control and treatment groups in terms of how they perceived the PT prior to treatment, nor any other common demographic or social confounders.¹⁷ The average response of all respondents was 1.51 — indicating a strong dislike of the PT among Brazilian economic elites. For comparison, I also asked all respondents to grade two other long-standing major parties, the *Partido Movimento Democrático Brasileiro* (PMDB) and the *Partido da Social Democracia Brasileira* (PSDB), which received average responses of 3.55 and 4.88 respectively. While disapproval of the PT among elites should not be surprising, an average response of 1.51 suggests feelings beyond simple dislike towards substantial aversion or animosity towards the party.

¹⁶The motivation behind including the PT was to also prime the treatment group to believe that that the redistributive threat could also credibly win the election, which would have been difficult with a minor or fictional party.

¹⁷See Appendix B for a table that includes average responses across both control and treatment groups.

Table 2: Redistributive Threat Elite Survey Experiment

	Control	Treatment	Difference
The economy is the most important issue in the upcoming election	5.78	5.25	-0.53*
In a country like Brazil, democracy hinders economic growth and stability	1.73	2.50	0.77*
Politicians convicted of political crimes should be barred from elections	6.86	6.80	-0.06
In democracies it is sometimes necessary for the military to intervene in politics	2.28	2.60	0.32
Politicians who espouse radical views should be barred from elections	2.38	2.46	0.07
<i>Reliability Check</i>			
If in power, PT will raise taxes on the highest earners despite costs to economy	4.31	4.57	0.26

Notes: All responses scaled from 1 (Strongly Disagree) to 7 (Strongly Agree). N = 103. * $p \leq .05$ (one-tailed).

Alternatively, we can confidently assume that at a bare minimum many elites feel that the PT runs counter to their interests.

The results of the post-treatment survey questions are provided in Table 2 — the first two columns show the average responses across the control and treatment groups while the final column shows the difference in means. The first question was designed to simply understand at a baseline level how much importance economic elites place on the economy in respect to elections. As we should expect, it is a significant priority among Brazilian elites — with average responses above 5 across both the control and treatment groups. However, interestingly those that received the treatment placed less importance on the economy as their top electoral issue. While it is not possible to infer precisely why those individuals exhibited lower values on the issue of the economy, I interpret this result as suggestive that elites do not associate the PT with the economy in the abstract.

Two questions related to perceptions of democracy exhibit noticeably different average responses between the control and treatment groups — a question that stresses that democracy may be a hindrance to economic growth and one that asks whether it is sometimes necessary for the military to intervene in democratic politics. In both questions, the treatment group possessed, on average,

less favorable views towards democracy. That is, the individuals that received the prompt priming them to think about the PT were more likely to agree with the notion that democracy may limit economic growth in Brazil and that it may be necessary for the military to intervene in democracies. The difference between average responses on the question related to democracy invoking costs to economic growth and stability is particularly large, showing a statistically significant difference of 0.77. These results show strong support for the microfoundations of the theory — even in a population with strong preferences for democracy, simply suggesting that a redistributive threat is a viable candidate to win the next election may affect their perceptions of democracy itself in a negative fashion.

Neither question related to barring certain candidates — whether previously convicted of political crimes or espousing radical views — from elections showed marked differences across the control or treatment groups.¹⁸

To test the reliability of the experiment I also included a question that asked whether the PT would raise taxes on the highest earners if they returned to power. As can be observed in Table 2, the treatment group did report higher average responses to this question, indicating that the prompt did indeed prime the treatment group to some extent. This question also conveniently had a dual purpose of understanding at a deeper level whether elites do, in fact, consider the PT a redistributive threat. Given that the respondents, regardless of whether they were part of the control or treatment group, did give relatively high average responses suggests that a non-trivial percentage of Brazilian economic elites do believe that the PT are indeed a redistributive threat or at the least are likely to have designs to extract wealth from the highest earners in society.

¹⁸It should be noted that there are strong laws in Brazil that do not allow politicians from running for public office if previously convicted to certain crimes, which may be why respondents were likely to strongly agree with these types of statements.

Testing the Broader Relationship

How generalizable is the theory developed here to the broader region of Latin America? Although a full treatment of all types of undemocratic behavior that elites and redistributive threats engage in is outside the scope of this article, how predictive are redistributive threats for triggering democratic breakdown?

Given the contentious nature of conceptualizing and measuring democracy, I draw heavily on existing literature — most prominently, Mainwaring, Brinks, and Pérez-Liñán (2001) [hereafter MBP] and Mainwaring and Pérez-Liñán (2014). MBP’s analytical approach to conceptualizing democracy is particularly useful here for at least two reasons. First, MBP’s measurement of democracy was specifically tailored to explain the region of Latin America, offering a highly contextualized measure that is congruent with the region-specific theorization and analysis offered here. Second, their measurement of democracy occupies an attractive middle-ground between dichotomous and more complex counterparts; its simple but gradient aggregation provides latitude, as well as a straightforward conversion, to the analysis of the key dependent variable of interest here: democratic breakdown.

MDP code democracies based on four main components: free and fair elections for the legislature and head of government, the franchise is comparably inclusive for the time period, the protection of civil liberties, and elected leaders possess governing capacity. If all four of these components are fully met, the country-year is coded as a democracy. If ‘partial violations’ are present in any of the categories it is coded as a semi-democracy, while the presence of ‘major violations’ results in the case being coded as authoritarian.¹⁹ I categorize each episode of democratic breakdown as any

¹⁹A major violation is if the “head of government or the legislature is not elected, the government uses its resources to ensure democratic victory, or through fraud, manipulation, or outright repression, the

movement from democracy or semi-democracy to authoritarianism. In other words, any calendar year in which there occurs a major violation in either a democracy or semi-democracy is considered a democratic breakdown. In total, coding breakdowns in this manner yields 46 cases of democratic breakdown in Latin America since 1900.²⁰

While democracies can break down in a variety of ways, and explaining the universe of these episodes is the central focus here, it is also true that a significant majority of democratic breakdowns in Latin America have occurred as the result of the military staging a coup. Therefore, I also employ an alternative dependent variable that more narrowly captures this phenomenon. Utilizing Lehoucq and Pérez-Liñán (2014)'s dataset on military coups in Latin America, I code an episode of a 'democratic coup' as any calendar year in which a successful military coup occurs under a democracy or semi-democracy.²¹

Drawing on the theory advanced here, redistributive threats are signified by the emergence of a party, or the capture of a traditional party by an upstart redistributivist or populist, that credibly competes for power with explicit goals of redistributing wealth or income. Although these two broad necessary conditions lay the ground-work for understanding the rise of redistributive threats, they fall short of providing clear coding, or exclusion, criteria for systematic analysis. More specifically, I code any country-year observation as 1 if one, or more, of the following events occur:²²

1. Emergence of a political party aligned with the popular sectors or explicitly calls for the redistribution of wealth/income, significant expansion of social programs, or nationalization

government makes it impossible for a wide gamut of parties to compete" (Mainwaring, Brinks, and Pérez-Liñán 2001, 46).

²⁰For a table of all cases of democratic breakdown, see Appendix A.

²¹Of note, Lehoucq and Pérez-Liñán 2014 do not differentiate military coups by regime type. Therefore, I only include those observations which occur under regimes that MBP code as either democratic or semi-democratic.

²²For a full list of all parties coded as a redistributive threat, and the specific years they met that threshold, refer to Appendix A.

- of sectors, that credibly threatens to win most proximate presidential election.²³
2. Presence of a traditional party captured or led by a politician aligned with the popular sectors or explicitly calls for the redistribution of wealth/income, significant expansion of social programs, or nationalization of sectors, that credibly threatens to win most proximate presidential election.
 3. Political party aligned with the popular sectors or explicitly calls for the redistribution of wealth/income, significant expansion of social programs, or nationalization of sectors, democratically controls the majority of national legislature and/or presidency.

There are a number of aspects here that merit further discussion. First, it is not necessary for redistributive threats to be organically formed political parties with ideologies deeply rooted in redistributivist principles. Traditional, or even oligarchic, parties that historically had no significant populist, working class, or redistributive ideology are capable of being captured — either through a formal primary system or any other type of internal selection process — by politicians or factions with redistributive ambitions.

In order for a party to be considered a ‘redistributive threat’ it must explicitly call for, or engage in, activities that are designed to redistribute wealth or income.²⁴ Importantly, the exclusion criteria is that these actions should be designed to induce tangible redistributive effects; the implementation of incremental social programs or marginal increases in social spending, for example, do not constitute such a redistributive threat. This excludes center-left parties that favor a limited progressive economic ideology where expropriation or redistribution is not a central focus or have no intentions to substantially alter the redistributive nature of the state

While identifying whether a party calls for redistributive actions is relatively straight-forward, whether it qualifies as a ‘credible threat’ may not be as clear. A credible threat is defined as a party that has the ability to win elections and/or capture political office. In other words, political

²³Most proximate election signifies any presidential election in the current or subsequent year.

²⁴There are a range of actions or policies that could constitute redistribution such as land reform, the construction of new or substantial expansion of social programs, the introduction of taxes targeting the highest earners, or the nationalization of previously privatized sectors to socialize their profits.

opponents have to believe, to some reasonable degree, that the redistributive threat can actually win any given election. Although it may be tempting to set a specific threshold of, for example, vote shares to be deemed a credible threat, this is untenable for two main reasons: (1) vote shares markedly differ between two- and multi-party systems or electoral systems, and (2), some redistributive threats are suppressed before competing in any actual election. At the bare minimum, redistributive threats cannot be minor parties; they must receive a sizable portion of vote share in elections, or there must be evidence to suggest that elites or political opponents perceived them as a major contender for any upcoming election (e.g. polling at a reasonably high level in the lead-up to an election), or took explicit measures to suppress them (e.g. prosecuted or jailed their political leader(s)).

Redistributive threats may be short-lived or persist for long periods of time. Some redistributive threats emerge as contenders for one or two electoral cycles and then disappear (e.g. the Orthodox Party in Cuba), while other redistributive threats compete for power, or even capture the presidency and/or legislature, for decades (e.g. the Movement for Socialism in Bolivia). As long as a redistributive threat holds either the presidency or legislature in any given year, they continue to constitute a threat to elites and are coded as such. Redistributive threats may also moderate their redistributive ideologies over time, particularly following the capture of power. Indeed, there many political parties with roots in communist or socialist ideology that eventually moved to a substantially more center-left or even centrist position. Among many such examples, perhaps the clearest case of this phenomenon is the revolutionary Sandinista National Liberation Front moving from a staunchly socialist orientation to a pro-business centrist party in recent decades under President Daniel Ortega. If a party's guiding ideological principle no longer explicitly calls for the expropriation or redistribution of wealth or income, I do not code that party as a redistributive

threat.

I also include additional variables that are commonly theorized to affect democratic breakdown. Perhaps democratic breakdown is simply a function of weak democratic institutions? Classic work often held that Latin American democratic institutions were notoriously weak, and that a lack of ‘horizontal accountability’ or ‘weak democracy syndrome’ in governing institutions often undermined their long-term survival (Cohen 1994; O’Donnell 1999; Haggard and Kaufman 2016, 224-230). These theories would expect democratic coups and democratic breakdowns to be more likely in those with already weak democratic institutions. To account for democratic institutional strength, I include the electoral democracy index from *Varieties of Democracy*, which is comprised of a number of measures that account for institutional development among democracies. Others have argued that the international political context is a key influence on the stability of democracy (Przeworski et al. 2000; Epstein et al. 2006), I also include the total percentage of democracies in Latin America in each country-year.²⁵

At its core, the redistributive framework posits that elites should be especially fearful towards the relative voting power among the economically disadvantaged and their potential to soak the rich (Boix 2003; Acemoglu and Robinson 2006). In turn, countries with more expansive suffrage should be more prone to democratic breakdown because these environments provide greater latitude for the poor to harness their votes to redistribute. Therefore, I control for the relative expansiveness of the suffrage, also drawn from V-Dem data.

Although there is disagreement on the underlying mechanisms, modernization theory has long contended that economic development is critical to democratization and democratic consolidation (e.g. Lerner 1958; Lipset 1959; Boix and Stokes 2003) — these theories would posit that more

²⁵I calculate this figure by taking the percentage of all cases that possess either a democracy or a semi-democracy, per Mainwaring and Pérez-Liñán 2014.

economically developed countries would be less likely to experience democratic breakdown. In turn, I include the log of GDP per capita, relying on estimates from the Maddison Project Database.²⁶ Other work has stressed instead the importance of economic crises as a driver for the breakdown of democracy or regimes in general (Markoff and Baretta 1990; Gasiorowski 1995); I therefore also include the annual growth rate of GDP per capita. I also control for the relative size of countries by including the log of population.

Considering both dependent variables are dichotomous, I employ generalized linear models with a logistic link function. Given that the theory stresses elites will make the decision to engage in undemocratic behavior simultaneously with the emergence of a redistributive threat, I am most concerned with discrete time models and therefore logistic regression is the appropriate choice of model here. In other words, I seek to understand episodes of democratic breakdown, not necessarily the length of time democratic regimes survive under a certain set of conditions. To account for within-unit heterogeneity — i.e. varying histories of democracy within cases — I also include unit (country) fixed effects. Importantly, the percentage of Latin American democratic variable largely functions as including year fixed effects due to its lack of within-year variation. As a robustness check in Appendix C, I also include both pooled and two-way fixed effects GLM models which exhibit comparable results as those shown here.

Table 3 reports the results. I find a robust, positive, and statistically significant relationships between redistributive threats, democratic breakdowns, as well as democratic coups. Both breakdowns and coups are significantly more likely to occur in the presence of a redistributive threat. The inverse is also true; countries are significantly less likely to experience a democratic breakdown or coup when there is an absence of a redistributive threat in their political system. These

²⁶See: Bolt and van Zanden 2020.

Table 3: Determinants of Democratic Coups and Breakdown in Latin America, 1900-2020

	Democratic Breakdown		Democratic Coup	
	(1)	(2)	(3)	(4)
Redistributive Threat	1.662*	2.222*	1.346*	1.891*
	(0.345)	(0.486)	(0.376)	(0.527)
Strength of Democracy		-4.944*		-3.146*
		(1.284)		(1.220)
Suffrage		2.633*		1.981
		(1.105)		(1.141)
% of Latin America Democratic		-0.518		-1.539
		(1.176)		(1.076)
GDP per capita (log)		-0.927		-0.266
		(1.732)		(1.445)
Economic Growth		-0.057		-0.044
		(0.026)		(0.027)
Population (log)		-1.056		-1.032
		(2.057)		(1.951)
Observations	2,296	2,022	2,296	2,022
Country Fixed Effects	Yes	Yes	Yes	Yes
AIC	437.179	364.788	389.910	349.714

Notes: Country dummies not included in table. Robust standard errors in parentheses. * $p \leq .05$.

relationships are robust in both the bivariate analyses (Models 1 and 3) and full models (Models 2 and 4). A more straightforward way of interpreting these results is that roughly 60 percent of democratic breakdowns and coups in Latin America since 1900 have coincided with the emergence of a redistributive threat. Conversely, of all the years in which neither a breakdown or coup took place a redistributive threat was present in only approximately 20 percent of those years. In other words, the emergence of a redistributive threat is more commonplace than a coup or democratic breakdown. However, if a democracy does break down, it is more often than not associated with the rise of a redistributive threat.

The only other variable with a consistent and statistically significant relationship across both models is the strength of democracy measure. Countries with stronger democratic institutions

are indeed less likely to experience democratic breakdowns or coups. While democracies with a more expansive suffrage are more likely to experience democratic breakdown, the relationship is not robust with respect to democratic coups. While the finding that GDP per capita is contrary to some recent literature (e.g. Mainwaring and Pérez-Liñán 2014; Haggard and Kaufman 2016), Latin America’s relationship between economic development, democracy, and democratic breakdown has always been relatively unusual (O’Donnell 1973; Lehoucq and Pérez-Liñán 2014, 1123-1124). I also suspect that, considering the analyses here include substantially more observations in the early part of the twentieth century than others, past work may not be capturing periods of democracy and economic development that exhibit distinct dynamics than those following the interwar period.²⁷

Conclusion

I have argued that redistributivist theories of democratic breakdown can significantly benefit, both theoretically and empirically, by turning their attention to how credible redistributive threats affect the relationship between inequality and the breakdown of democracy. These credible threats are most likely to come in the form of political parties espousing redistributive or populist agendas, and their emergence can spark undemocratic behavior from elites that either undermines democracy, or effectively leads to its breakdown. I find evidence on both the micro- and macro-levels that redistributive threats not only shape elites’ perceptions of democracy, but their rise are also associated with democratic breakdowns and coups throughout much of Latin American history.

If redistributive threats commonly constitute a danger for democracy in Latin America, do they produce similar inimical effects in other parts of the world? At first glance, we should expect

²⁷It is not uncommon to find differing results between economic development and democracy when incorporating different time periods into the models (e.g. Boix and Stokes 2003). To add to this, GDP per capita does become statistically significant in some robustness checks covering more constrained time periods and smaller numbers of observations. See Appendix C for further details.

similar patterns to be present in other regions; one can draw on any number of acute examples from the history of democracy, such as the ousting of Pridi Banomyong in the 1933 Siamese coup, the emergence of the Italian Socialist Party and subsequent rise of fascism in Italy, and the 1983 Nigerian coup that deposed President Shehu Shagari and the Nigerian National Party. However, there are limits to the generalizability of the theory advanced here. The theory is particularly adept at explaining dynamics in highly unequal democracies; large economic disparities between the popular classes and the rich breed the impetus for strong redistributive demands, as well as more extremist politics (Dahl 1972; Boix 2003). In more egalitarian contexts, elites' fears of redistribution, and hence the incentive to partake in risky behaviors to protect themselves, are significantly lower. In turn, democracies with less inequality — particularly those with relatively equal distributions of land — may naturally subdue the rise of redistributive threats, as well as reduce elites' incentives to quell them, explaining why comparatively egalitarian democracies are generally more stable over time (e.g. Houle 2009).

The theory, as formulated here, is also ill-equipped to predict the *timing* of democratic coups or breakdowns. Elites have often chosen undemocratic paths to removing redistributive threats from power, but there always exists the option to simply endure periods of redistribution. The decision matrix that goes into these decisions, or the aggregate behavior of elites, is complex. In Brazil, the PT was in power for nearly 16 years before serious threats to Brazil's democracy began to emerge. It is also undoubtedly true that elites have been more hesitant to engage in overtly undemocratic behavior in the contemporary era, presumably due to a greater cultural emphasis on democracy across the globe — although there are indications this trend may be abating. Whether elites are as willing to endure periods of redistribution as we enter into an era of polarization and democratic backsliding remains a question we have only just begun to grapple with.

It may be tempting to come to the conclusion that redistributive threats and their deleterious effects on democracy may be largely part and parcel of bygone eras such as the Cold War. However, as the elite survey data and the case of Brazil suggests, the underlying dynamics behind redistribution and democratic norms are just as relevant to the present-day than any other time period. Despite moderation since its formative years, elites continue to perceive the PT as a redistributive threat and a formidable party where the democratic playing field may need to be altered to defeat. Brazil is far from the only country where similar dynamics are occurring. In a world where inequality is increasing across both the developed and developing world, and a wide variety of outsider redistributivist and populist parties are emerging, we should expect the tenuous relationship between redistributive threats and democratic breakdown to rear its head many times into the near and distant future.

References

- Acemoglu, Daron, and James A. Robinson. 2006. *Economic Origins of Dictatorship and Democracy*. Cambridge, UK: Cambridge University Press.
- Albertus, Michael. 2015. *Autocracy and Redistribution: The Politics of Land Reform*. New York, NY: Cambridge University Press.
- Albertus, Michael, and Victor Menaldo. 2017. *Authoritarianism and the Elite Origins of Democracy*. New York, NY: Cambridge University Press.
- Ansell, Ben W., and David J. Samuels. 2014. *Inequality and Democratization: An Elite-Competition Approach*. New York, NY: Cambridge University Press.
- Ansell, Ben W., and David J. Samuels. 2021. "A Feature, Not a Bug? Inequality and the Quality of Democracy." Unpublished manuscript.
- Blofield, Merike, and Juan Pablo Luna. 2011. "Public Opinion on Income Inequalities in Latin America." In *The Great Gap: Inequality and the Politics of Redistribution in Latin America*, edited by Merike Blofield, 147-181. University Park, PA: Penn State University Press.
- Bogliaccini, Juan A., and Juan Pablo Luna. 2019. "Preferences for Redistribution and Tax Burdens in Latin America." In *The Political Economy of Taxation in Latin America*, edited by Gustavo Flores-Macías, 219-241. New York, NY: Cambridge University Press.
- Boix, Carles. 2003. *Democracy and Redistribution*. Cambridge, UK: Cambridge University Press.
- Bolt, Jutta, and Jan Luiten van Zanden. 2020. "Maddison style estimates of the evolution of the world economy. A new 2020 update." *Maddison-Project Working Paper WP-15*
- Boswell, Terry, and William J. Dixon. 1993. "Marx's Theory of Rebellion: A Cross-national Analysis of Class Exploitation, Economic Development, and Violent Revolt." *American Sociological Review* 58 (5): 681-702.
- Cohen, Youssef. 1987. "Democracy from Above: The Political Origins of Military Dictatorship in Brazil." *World Politics* 40 (1): 30-54.
- Cohen, Youssef. 1994. *Radicals, Reformers, and Reactionaries: The Prisoner's Dilemma and the Collapse of Democracy in Latin America*. Chicago, IL: University of Chicago Press.
- Collier, Ruth Berins, and David Collier. 1991. *Shaping the Political Arena: Critical Junctures, the Labor Movement, and Regime Dynamics in Latin America*. South Bend, IN: University of Notre Dame Press.
- Coppedge, Michael. 2000. "Venezuelan Parties and the Representation of Elite Interests." In *Conservative Parties, the Right, and Democracy in Latin America*, edited by Kevin J. Middlebrook, 110-136. Baltimore, MD: The Johns Hopkins University Press.
- Dahl, Robert A. 1972. *Polyarchy: Participation and Opposition*. New Haven, CT: Yale University Press.
- De Leon, Cedric, Manali Desai, and Cihan Tuğal. 2009. "Political Articulation: Parties and the Constitution of Cleavages in the United States, India, and Turkey." *Sociological Theory* 27 (3): 193-219.
- Doner, Richard F., and Ben Ross Schneider. 2016. "The Middle-Income Trap: More Politics than Economics." *World Politics* 68 (4): 608-644.
- Dulles, John W.F. 1978. *Castello Branco: The Making of a Brazilian President*. College Station, TX: Texas A&M University Press.

- Ferreira, Jorge. 2013. "O Partido Comunista Brasileiro e o governo João Goulart." *Revista Brasileira de História* 33 (66): 113-134.
- Gasiorowski, Mark J. 1995. "Economic Crisis and Political Regime Change: An Event Historical Analysis." *American Political Science Review* 89 (4): 882-897.
- Gerring, John. 2007. *Case Study Research: Principles and Practices*. New York, NY: Cambridge University Press.
- Green, Donald, Bradley Palmquist, and Eric Schickler. 2002. *Partisan Hearts and Minds: Political Parties and the Social Identities of Voters*. New Haven, CT: Yale University Press
- Gurr, Ted Roberts. 1970. *Why Men Rebel*. Princeton, NJ: Princeton University Press.
- Haggard, Stephan, and Robert Kaufman. 2012. "Inequality and Regime Change: Democratic Transitions and the Stability of Democratic Rule." *American Political Science Review* 106 (3): 495-516.
- Haggard, Stephan, and Robert Kaufman. 2016. *Dictators and Democrats: Masses, Elites, and Regime Change*. New York, NY: Cambridge University Press.
- Houle, Christian. 2009. "Inequality and Democracy: Why Inequality Harms Consolidation but Does Not Affect Democratization." *World Politics* 61 (4): 589-622.
- Huber, Evelyne, and John D. Stephens. 2001. *Development and the Crisis of the Welfare State: Parties and Politics in Global Markets*. Chicago, IL: University of Chicago Press.
- Huber, Evelyne, and John D. Stephens. 2012. *Democracy and the Left: Social Policy and Inequality in Latin America*. Chicago, IL: University of Chicago Press.
- Hunter, Wendy. 2010. *The Transformation of the Workers' Party in Brazil, 1989-2009*. New York, NY: Cambridge University Press.
- Jackman, Robert W. 1972. "Political Elites, Mass Politics, and Support for Democratic Principles." *Journal of Politics* 34 (3): 752-764.
- Keck, Margaret E. 1992. *The Workers' Party and Democratization in Brazil*. New Haven, CT: Yale University Press.
- Kitschelt, Herbert. 2000. "Linkages Between Citizens and Politicians in Democratic Polities." *Comparative Political Studies* 33 (6-7): 845-879.
- Kitschelt, Herbert, and Steven I. Wilkinson, eds. 2007. *Patrons, Clients and Policies: Patterns of Democratic Accountability and Political Competition*. New York, NY: Cambridge University Press.
- Labaki, Amir. 1986. *A Crise da Renúncia e a Solução Parlamentarista*. São Paulo, SP: Brasiliense.
- Lamounier, Bolivar. 1974. "Ideology and Authoritarian Regimes: Theoretical Perspectives and a Study of the Brazilian Case." Ph.D. Dissertation, University of California, Los Angeles.
- Lehoucq, Fabrice, and Anibal Pérez-Liñán. 2014. "Breaking Out of the Coup Trap: Political Competition and Military Coups in Latin America." *Comparative Political Studies* 47 (8): 1105-1129.
- Lerner, Daniel. 1958. *The Passing of Traditional Society*. New York, NY: Free Press.
- Lipset, Seymour Martin. 1959. "Some Social Requisites of Democracy: Economic Development and Political Legitimacy." *American Political Science Review* 53 (1): 69-105.
- Lipset, Seymour Martin, and Stein Rokkan, eds. 1967. *Party Systems and Voter Alignments: Cross-national Perspectives*. New York, NY: The Free Press.
- Mainwaring, Scott. 1987. "Urban Popular Movements, Identity, and Democratization in Brazil." *Comparative Political Studies* 20 (2): 131-159.

- Mainwaring, Scott. 1999. *Rethinking Party Systems in the Third Wave of Democratization: The Case of Brazil*. Stanford, CA: Stanford University Press.
- Mainwaring, Scott, ed. 2006. *The Crisis of Democratic Representation in the Andes*. Stanford, CA: Stanford University Press.
- Mainwaring, Scott, Daniel Brinks, and Anibal Pérez-Liñán. 2001. "Classifying Political Regimes in Latin America, 1945-1999." *Studies in Comparative International Development* 36 (1): 37-65.
- Mainwaring, Scott, and Anibal Pérez-Liñán. 2014. *Democracies and Dictatorships in Latin America: Emergence, Survival, and Fall*. New York, NY: Cambridge University Press.
- Markoff, John, and Silvio R. Duncan Baretta. 1990. "Economic Crisis and Regime Change in Brazil: The 1960s and the 1980s." *Comparative Politics* 22 (4): 421-444.
- McGuire, James W. 2010. *Wealth, Health, and Democracy in East Asia and Latin America*. Cambridge, UK: Cambridge University Press.
- Meltzer, Allan H., and Scott F. Richard. 1981. "A Rational Theory of the Size of Government." *Journal of Political Economy* 89 (5): 914-927.
- Morgan, Jana, and Nathan J. Kelly. 2017. "Social Patterns of Inequality, Partisan Competition, and Latin American Support for Redistribution." *The Journal of Politics* 79 (1): 193-209.
- O'Donnell, Guillermo A. 1973. *Modernization and Bureaucratic-Authoritarianism: Studies in South American Politics*. Berkeley, CA: University of California Press.
- O'Donnell, Guillermo. 1999. "Horizontal Accountability in New Democracies." In *The Self-Restraining State: Power and Accountability in New Democracies*, edited by Andreas Schedler, Larry Diamond, and Marc F. Plattner, 29-51. Boulder, CO: Lynne Rienner.
- Page, Benjamin I., Larry M. Bartels, and Jason Searight. 2013. "Democracy and the Policy Preferences of Wealthy Americans." *Perspectives on Politics* 11 (1): 51-73.
- Power, Timothy J. 2000. *The Political Right in Postauthoritarian Brazil: Elites, Institutions, and Democratization*. University Park, PA: Penn State University Press.
- Rabushka, Alvin, and Kenneth A. Shepsle. 1972. *Politics in Plural Societies: A Theory of Democratic Instability*. Columbus, OH: Charles E. Merrill Publishing Co.
- Roberts, Kenneth M. 2002. "Social Inequalities without Class Cleavages in Latin America's Neoliberal Era." *Studies in Comparative International Development* 36 (4): 3-33.
- Roberts, Kenneth M. 2014. *Changing Course in Latin America: Party Systems in the Neoliberal Era*. New York, NY: Cambridge University Press.
- Samuels, David, and Cesar Zucco. 2015. "Crafting Mass Partisanship at the Grass Roots." *British Journal of Political Science* 45 (4): 755-775.
- dos Santos, Wanderley Guilherme. 1987. *Sessenta e quatro: Antomia da crise*. Rio de Janeiro, RJ: Vértice.
- Seawright, Jason. 2016. "The Case for Selecting Cases That Are Deviant or Extreme on the Independent Variable." *Sociological Methods & Research* 45 (3): 493-525.
- Skidmore, Thomas E. 1967. *Politics in Brazil 1930-1964: An Experiment in Democracy*. New York, NY: Oxford University Press.
- Skocpol, Theda. 1979. *States and Social Revolutions: A Comparative Analysis of France, Russia and China*. Cambridge, UK: Cambridge University Press.
- Slater, Dan, Benjamin Smith, and Gautam Nair. 2014. "Economic Origins of Democratic Breakdown? The Redistributive Model and the Postcolonial State." *Perspectives on Politics* 12 (2): 353-374.

- Soifer, Hillel David. 2013. "State Power and the Economic Origins of Democracy." *Studies in Comparative International Development* 48 (1): 1-22.
- Stephens, John D. 1979. *The Transition from Capitalism to Socialism*. London, UK: Macmillan.
- Stevens, Daniel, Benjamin G. Bishin, and Robert R. Barr. 2006. "Authoritarian Attitudes, Democracy, and Policy Preferences among Latin American Elites." *American Journal of Political Science* 50 (3): 606-620.
- Sullivan, John L., Pat Walsh, Michal Shamir, David G. Barnum, and James L. Gibson. 1993. "Why Politicians Are More Tolerant: Selective Recruitment and Socialization Among Political Elites in Britain, Israel, New Zealand and the United States." *British Journal of Political Science* 23 (1): 51-76.
- Weyland, Kurt. 1996. *Democracy Without Equity: Failures of Reform in Brazil*. Pittsburgh, PA: University of Pittsburgh Press.
- Weyland, Kurt. 2014. *Making Waves: Democratic Contention in Europe and Latin America Since the Revolutions of 1848*. New York, NY: Cambridge University Press.
- Weyland, Kurt. 2019. *Revolution and Reaction: The Diffusion of Authoritarianism in Latin America*. New York, NY: Cambridge University Press.