

Bush's "aid" to Latin America mirrors national programs to mask oppression

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On the eve of his recent trip to Latin America, US President George W. Bush and his administration complained that Washington was not given enough credit for the economic aid that it is bestowing upon the region—\$1.8 billion for 2007. The figure, however, represents a \$200 million cut from last year, with half the total going to military aid.

In an attempt to demonstrate America's beneficence, Bush announced on the eve of his six-nation tour another package of aid programs—\$75 million for education, \$385 million to finance mortgages for the poor and the dispatch of a US Navy hospital ship to treat low-income people in various ports of call.

Not only is this less than a drop in the bucket given the massive poverty that prevails throughout the region, the aid figures as a whole represent a massive decline from what Washington provided during an earlier period, when Latin America was seen as an arena in the Cold War struggle against communism. In the 1960s, President John F. Kennedy's Alliance for Progress provided more than \$10 billion in today's dollars in annual aid to the region.

Bush's attempt to buy political support on the cheap clearly failed miserably, with mass demonstrations erupting against him in every city where he went. The so-called aid he promised was met with near universal derision. In part, this is because he is competing with bourgeois governments throughout the region, which have their own "aid" programs designed to buy political support and stave off social upheaval.

For example, in Brazil, the first stop on Bush's tour, the government of President Luiz Inacio Lula da Silva introduced the *bolsa família* (family stipend) program in October of 2003. The program provides a grant of 50 reais (US\$23.00) a month for families that have per capita monthly incomes of 60 reais (US\$28.60) or less. Beyond the 50 reais, the family can receive another 15 reais (US\$7.14) for children and or adolescents, up to a maximum of three dependents. Thus, a family can receive a maximum of 95 reais (US\$45.23) a month. A requirement of the program is that the children go to school and maintain their vaccinations up to date.

While this aid is ostensibly aimed at the poorest Brazilians, it indirectly benefits other layers of society. One of these, in a very direct way, is the political establishment: corrupt politicians are diverting a good part of the resources of the *bolsa família* program into their own coffers.

Out of 5,560 Brazilian municipalities, serious irregularities have

been uncovered in at least 121. The program's resources have been used to fatten the salaries of council members, as took place in the city of Nazaré, or even to finance the election campaigns of candidates supported by the government, as happened in Guaribas and Acauã, both in the northeastern state of Piauí. Resources from the program are also diverted to middle class businessmen, as was discovered in Teixeira de Freitas, in Bahia. Even the names of the dead are used to get benefits, as has happened in Nonoai and in Sananduva, in Rio Grande do Sul.

Others benefit indirectly from the program. This is particularly the case with the big landowners of northeast Brazil and of the businessmen in small cities in the interior. The first benefit from the fact that rural workers are working off the books in order not to lose their right to the *bolsa família*. They fear that their paychecks would prove that their incomes exceed the ceiling imposed by the program. For the landlords, this means that they do not have to pay the various labor benefits required by law or the additional one-third of salary that is required for holidays.

Thus, thanks to the *bolsa família*, the big landowners have at their disposal an even cheaper and more docile labor force. What this boils down to is the federal government assuming the costs of minimal labor benefits for the employers behind the mask of the *bolsa família*. In other words, a portion of the public resources dedicated to this program represents a transfer of wealth from the federal government to the big landowners of the northeast, using their impoverished workers as a go-between.

On the other hand, this also demonstrates that the situation of absolute misery in which the majority of rural workers in Brazil find themselves is such that they are prepared to give up their own labor rights in exchange for a small quantity of money offered by the government.

Aside from the issue of how the money is diverted to serve other interests, the program obviously has a political aim. It has served to create a significant base of support for the Lula government, including not only the very poor, but also the big landowners and the corrupt elements who manage to siphon off resources.

If one compares the percentage of the vote won by Lula in the 2006 elections in each region of the country with the geographic distribution of the *bolsa família* program, the enormous influence that the program played in the election becomes obvious. In the second round of the last elections, Lula shot in front of his opponent Geraldo Alckmin in the northeast region, winning 77.1 percent against 22.9 percent for his opponent. It is worth recalling

that more than half of the beneficiaries of the *bolsa familia* are concentrated in this region.

Meanwhile, in the south of Brazil, where *bolsa familia* plays little role, Lula ended up losing to the right-wing opposition candidate.

According to a report by the magazine *Época* last year, one out of every four of Lula's voters said that they had cast their ballots for the incumbent president because of the social program. By spending a fairly modest amount of public money (8.6 billion *reais* or US \$4.1 billion) on programs that generate no real development, that do not create new industries or jobs and which fail to resolve the situation of poverty confronting the workers, Lula manages to perpetuate his government, creating an immense web of grateful—and impoverished—dependents.

With his aid programs, Lula receives the support of the poorest workers, while ruling on behalf of the bourgeoisie and the big bankers instituting the counter-reforms against the workers demanded by international capital.

The role played by social aid programs in securing the reelection of incumbent presidents can be observed throughout Latin America. The Mexican version of *bolsa familia*, called *Oportunidades*, was decisive in winning a narrow victory for the candidate of the right-wing ruling PAN, Felipe Calderón, last July. In Venezuela, Hugo Chávez owes a large part of his popularity among the poorest sections of workers to his multi-billion-dollar aid programs, known as *Misiones*.

In Argentina, President Nestor Kirchner also props up his government with social programs. The program known as *jefes de hogar* (heads of households), according to government figures, has given minimal aid to nearly 2 million unemployed Argentines. As with Lula, this is the real political base enjoyed by Kirchner and will provide the platform for his hand-picked successor—in this case, the most likely candidate being his wife, Senator Cristina Kirchner.

In the same way, Chile's president Michelle Bachelet has announced that 68 percent of the government's budget for 2007 will go to social programs.

None of these programs—much less the miserable and insulting package of aid proffered by Bush on his recent Latin American tour—are capable of resolving the grave situation confronting workers in Latin America or anywhere else on the planet. Are these programs even capable of improving in any serious and lasting way the conditions of life of workers as a whole? The facts given by the International Labor Organization (ILO) strongly indicate that the answer is no.

According to the ILO, the past five years, which have been characterized by a strong growth of the world economy—in other words, a period that would appear to be extremely favorable for improving conditions of life for working people—the number living below the poverty level (a dollar per day, per person) has remained practically stable in Latin America, the Caribbean, the Middle East and in North Africa. This occurs despite the various aid programs carried out by different governments.

The unavoidable question is the following: what can we expect of the future, which everything indicates will be a period of recession and a sharp increase in the army of unemployed? It is

enough to witness the events of the last four months, which have seen the biggest corporations laying off tens of thousands of workers in every corner of the globe: Volkswagen in Brussels, 3,300; Volkswagen in the Sao Paulo region, 3,300; Chrysler in the US, 13,000; Europe's Airbus, 10,000; Bayer, 6100; Coca Cola, 3,500 and Multbras in Brazil, 400. What can workers and the unemployed anticipate in the coming period?

There is only one answer to this disturbing question: the multiple social assistance programs notwithstanding, what capitalism offers humanity is only the systematic and growing destruction of mankind's productive forces. The plans hatched by Bush and Lula for the massive increase in the production of biofuel threaten to create deserts without water and without basic food for the majority of the population. Wars devastate entire regions, like Iraq and Lebanon. Slums spread out all over the world. And, above all, millions upon millions of workers are daily confronted with poverty and unemployment, without any perspective of making a life for themselves or for their children.

Lula's aid programs have not changed the fact that Brazil continues to record one of the highest official rates of unemployment in the world (9.3 percent), comparable with sub-Saharan Africa (9.8 percent) and exceeded only by the Middle East and North Africa (12.2 percent at the end of 2006).

The aid programs of Lula, Chávez and Kirchner, not to mention the various program of the United Nations, are incapable of resolving even in a minimal way the real problems that confront the majority of workers. The workers want the opportunity to work and to produce, making a decent salary that at least grants them the means to acquire housing, food, health care and leisure.

These minimal demands, however, are impossible for the capitalist profit system to fulfill. Lula, Chávez, Kirchner, Bush and the tiny minority that controls big international capital, rather than seeking a means of resolving the real problems of humanity, defend a system that is creating conditions of barbarism throughout the globe, while they seek to divert the anger of the workers by handing out miserable alms and touting their hypocritical aid programs.



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