Brazilian election points to continuity of "Lulaism"

Bill Van Auken 1 October 2010

Brazil's October 3 election appears set to deliver the presidency to the Workers Party (*Partido dos Trabalhadores* or PT) candidate Dilma Rousseff and cement the continuity of the pro-capitalist policies pursued by incumbent PT President Luiz Inácio Lula da Silva.

Thursday was the last day of campaigning, marked by a televised debate featuring Rousseff (universally referred to as Dilma in Brazil), her rightwing opponent José Serra of the Brazilian Social Democratic Party (PBDS), Marina Silva of the Brazilian Green Party and Plínio de Arruda Sampaio of the Socialism and Freedom Party (PSOL), a split-off from the PT.

Polls have shown Rousseff leading by a wide margin, oscillating between 50 and 51 percent of the popular vote. An absolute majority would prevent a second-round run-off with Serra at the end of the month. Serra is said to be trailing by more than 20 percent, while the Green Party's Silva, who served as Lula's environment minister before breaking with the PT, is given approximately 13 percent. Sampaio and PSOL have registered barely 2 percent.

The official debate between the two front-running candidates leading up to Sunday's vote has offered little in the way of differences on the fundamental questions of social and economic policies.

Rousseff, a little known state functionary who had never run for office before her nomination as the PT's candidate, is running strictly as the continuator of Lula's legacy. The incumbent president, who is barred by law from pursuing a third term, is shown in opinion polls as enjoying a 75 percent or better popularity rate. He has placed himself at the center of the Dilma campaign, appearing as the star attraction at her public rallies.

For his part, Serra has campaigned on the anemic slogan of "Brasil pode mais," or "Brazil can do more," indicating his support for the core policies of the PT government, while belatedly adding a populist promise to raise the Brazilian minimum monthly wage to 600 reais (about \$360).

Instead of challenging Lula's policies, Serra and the PBDS have centered their fire on the endemic corruption in the PT government which has produced a series of scandals over the last eight years. These range from the so-called *mensalão* affair, in which legislators were paid monthly bribes to vote with the government, to the latest influence-peddling charges against Dilma Rousseff's successor as Lula's chief of staff, Erenice Guerra, whose family is accused of arranging government contracts and loans for cash kickbacks.

Rousseff's candidacy is widely seen as a byproduct of these scandals, which led to the downfall of more likely presidential contenders, like her predecessor as chief of staff, José Dirceu.

The corruption revelations seem to have had little impact in terms of shifting support from Rousseff to Serra, perhaps because such scandals have become such a familiar part of the political landscape.

The PBDS attempted to make a major issue of the apparent leaking of tax return information on Serra's family members and associates, but the protests seem to have backfired, only underscoring the popular association of the candidate with São Paulo's financial elite.

Lula and Dilma have countered these attacks by trying to portray themselves and the PT as the victims of a slander campaign mounted by big business and the corporate media.

Serra has also sought to appeal to right-wing sentiments and win support from more reactionary sections of Brazil's ruling elite by denouncing the Lula government's foreign policy, particularly its cementing of ties with Venezuela's President Hugo Chavez, the Castro regime in Cuba and, more recently, the Islamic Republic of Iran. His positions on these issues appear to dovetail largely with those of Washington, however, and run counter to the Brazilian nationalism fostered by the PT.

Both Rousseff, 62, and Serra, 68, are part of the "generation of 68," which was radicalized by the social struggles in Brazil and the state terror unleashed by the military regime following a US-backed coup in 1964. Like many from that generation, both traveled far from the radicalism of their youth to become pillars of the bourgeois establishment.

Influenced as much by Catholic activism as Marxism, Rousseff as a student joined a guerrilla organization, the VAR-Palmares (Palmares Armed Revolutionary Vanguard), before being jailed for three years and tortured. After her release, she studied economics and became a bureaucrat in the southern state of Rio Grande do Sul. A supporter of the Labor Party of Leonel Brizola, she joined the PT only in 2000 after it began to win a series of local and state elections.

Serra was the head of the national student union and spent 14 years in exile after the 1964 coup. He subsequently became involved in the Brazilian Democratic Movement, the officially sanctioned bourgeois opposition to the military regime, and held a string of positions in local, state and national government. As governor of the state of São Paulo, a post he gained in 2007, the former exiled student leader sent military police riot squads to suppress student strikes and demonstrations.

Both candidates are running as heads of coalitions involving other corrupt right-wing capitalist parties. In Serra's case, these include the Democrats, a successor organization to ARENA, the party of military dictatorship, which has supplied his vice-presidential running mate, Índio da Costa. In Rousseff's case, it includes the PMDB, the Brazilian Democratic Movement Party, the successor to the officially sanctioned opposition under this regime. Her vice-presidential running mate Michel Temer is a leader of the party, a former state prosecutor and head of the national congress.

Dominating the campaign alongside his lackluster hand-picked successor, Lula has turned it into a sort of victory lap as he ends his eight years in office. The outgoing Brazilian president has been the object of extravagant acclaim in the recent period. President Barack Obama described him as "the most popular politician on earth," while *Time* magazine recently proclaimed him the "most influential person in the world."

A leader in the wave of metalworkers' strikes in São Paulo's ABC industrial suburbs beginning in the late 1970s, when Brazil was still under the rule of the military dictatorship, he was briefly jailed. In 1980 he

joined with a group of academics, intellectuals, liberal Catholics, other union officials and various left organizations to establish the PT, or Workers Party, quickly becoming its leading figure.

The party, and the trade union federation with which it is associated, the CUT, became a means of channeling the militancy and mass opposition of the Brazilian workers and oppressed into the safer channels of parliamentary politics.

While, by the late 1980s, the party began winning important state and municipal elections, Lula himself was defeated in presidential races three times consecutively from 1989 to 1998. In response, the party and its candidate shifted ever further to the right, with Lula making time during his last two campaigns for trips to Wall Street to proclaim his adherence to the policies of the International Monetary Fund and free enterprise.

Finally, in 2002, he won the presidency, in no small measure because influential sections of the Brazilian ruling class saw the PT as the best-suited instrument for managing social discontent, fueled by decades of "structural adjustment" programs.

In power, the PT pursued a program of continuity with the essential economic policies of the right-wing governments that preceded it. The party itself became based more and more on a growing layer of state officials and union bureaucrats, whose avarice drove the endless corruption scandals, while turning more and more hostile to the working class.

Thanks for the most part to economic forces beyond his control—the global integration of capitalism and a 16-year commodity boom—Lula has presided over a dramatic growth and concentration of Brazilian capital. Bank profits alone have soared by 420 percent since he first became president, fueled by some of the highest interest rates in the world.

Major Brazilian transnational corporations have emerged as leading exporters of capital. These include Brasil Foods, which has become the number one exporter of processed meat; Petrobras, one of the four largest energy conglomerates; the privatized Vale do Rio Doce, the second-largest mining corporation in the world; and Embraer, which trails only Boeing and Airbus in airplane production.

In the course of the election campaign, Lula staged an appearance at the São Paulo stock exchange, Bovespa, to inaugurate a massive \$70 billion share offering in Petrobras, which is preparing to exploit huge oil reserves discovered off Brazil's shores.

Joking with the media, Lula said, "Ten years ago I'd walk past the [stock exchange's] front door and people would shake with fear. They'd say, 'Where is that capitalist-eater going?' Now that very same 'capitalist-eater' . . . [is] taking part in this most positive moment for world capitalism. Never before in the history of man have we had a capitalization of this size."

As the *Financial Times* put it last month, Lula presided over "Brazil's embrace of capitalism and globalization. In his early campaigns, he denounced 'neoliberalism.' In office he tackled inflation, paid back debt and fostered conditions for Brazilian businesses to thrive internationally."

While winning the support of Brazil's ruling elites and transnational capital with its pro-capitalist policies, the Lula government also sought to quell social unrest with a social welfare program known as *bolsa familia* (family allowance), which provides minimal cash assistance to the country's poorest families. These stipends—\$12 a month for each child attending school and a \$40 basic grant for those living in extreme poverty—went to one out of four Brazilians and assured the PT a solid base of support, particularly in the country's impoverished northeast.

The government has claimed that these policies have lifted some 25 million people into the "middle class," a questionable category to say the least. Whatever the reductions in extreme poverty, Brazil remains the fourth most socially unequal country on the planet.

According to *Forbes*, the country now boasts 18 billionaires—a nearly 50 percent increase since just last year. At the same time, close to 95 percent

of the population survives on less than \$550 a month. The top 10 percent monopolizes 75 percent of the country's wealth. Lula's social policies are designed to mask this immense class divide, which is why they are endorsed by both Rousseff and Serra.

With none of Lula's historic ties to the labor movement, Rousseff is poised to turn even further to the right. In the final weeks of the campaign she repudiated the call in the PT program for a tax on wealth. And she organized a meeting with dozens of Catholic and Evangelical leaders to declare herself "pro-life" and opposed to any plebiscite on the law making abortion illegal in Brazil. She also proclaimed her faith and denied having said that "not even Jesus Christ" could keep her from winning the election.

More fundamentally, her government will be tasked with carrying out a series of long sought "reforms," of tax, pension and labor laws, designed to boost profitability, slash state spending and benefits and make it easier to carry out mass layoffs. Such policies, together with the inevitable impact of the global capitalist crisis, will create conditions for a confrontation with the Brazilian working class.

The so-called "left" parties participating in the election are not preparing for such an eventuality. Rather, having almost without exception participated in the creation of illusions in the PT before being expelled from it, they continue to foster illusions in parliamentarianism, while adapting themselves to the trade union bureaucracy.

These include the PSOL, which represents an attempt to recreate the PT along its original lines. In the run-up to the election, it nearly split over a proposal by a substantial section of its leadership to back the Greens, who are running on an openly pro-capitalist program. The PSTU (United Socialist Workers Party), which calls itself Trotskyist and has its origins in the grouping around the late Argentine national opportunist Nahuel Moreno, is, reluctantly, running its own candidate. It had sought, unsuccessfully, to forge an electoral bloc with the PSOL for the current election with the aim of pushing it to the "left."

The maneuvers of such organizations only help conceal the fact that the entire electoral setup in Brazil serves to politically disenfranchise the working class majority, whose interests can be defended solely through the construction of a new revolutionary party based on the program of socialist internationalism.



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