

Brazil's President Rousseff faces impeachment

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Brazil's Workers Party (Partido dos Trabalhadores—PT) President Dilma Rousseff is facing the initiation of congressional impeachment proceedings under conditions in which the country's economy is sinking into a slump without precedent since the Great Depression of the 1930s.

Eduardo Cunha, the powerful speaker of the Chamber of Deputies, the Brazilian Congress' lower house, announced on Wednesday that he had decided to accept one of 34 petitions for impeachment that have been submitted to the body.

The charges against Rousseff deal primarily with alleged manipulation of state funds to conceal a mounting fiscal deficit as well as illicit funding for her election campaign.

The move by Cunha stems from the ever-widening corruption scandal involving a system of bribes and kickbacks that funneled billions of dollars from the state-owned energy conglomerate Petrobras, Latin America's largest company, into the coffers of politicians from virtually every political party.

The investigation into the Petrobras scandal has already seen the arrests of top company executives as well as politicians, such as the PT leader in the Senate, Delcídio Amaral, and two of the country's richest capitalists, Marcelo Odebrecht, the CEO of the construction giant of the same name, and André Esteves, the billionaire head of the BTG investment bank.

While Rousseff chaired the Petrobras board during the period of this wholesale corruption, she has yet to be directly implicated in the kickbacks and bribes.

On the other hand, Cunha, whose PMDB (Brazilian Democratic Movement Party) party has functioned as a political ally of the PT, is facing charges of bribery and money laundering which carry sentences totaling 184

years in prison. He is accused of siphoning some \$40 million from Petrobras to himself and other members of Congress. Shortly after denying before the congressional commission investigating the Petrobras scandal that he had any overseas bank accounts, it was established that he has millions in undeclared funds stashed away in Switzerland.

The trigger for his decision to initiate the impeachment of Rousseff was the announcement by three PT legislators on the congressional ethics panel that they would vote in favor of bringing proceedings against Cunha that could end in his ouster.

The vote, which had been scheduled for Wednesday, has been postponed until December 8. The three PT legislators came under intense political pressure. With public opinion overwhelmingly in favor of moving against Cunha, Planalto, Brazil's presidential palace, was leaning on the congressmen to vote against any measures against the speaker in order to avoid his retaliation with impeachment proceedings.

"I am not doing this out of any political motive," Cunha declared with a straight face at the Wednesday press conference announcing the move to impeachment. He said he was accepting the petition for impeachment with the hope that Brazil "could overcome its political and economic crisis, without any type of value judgment."

Rousseff appeared before the media late Wednesday surrounded by 11 of her ministers and read out a statement declaring her "indignation" over the move to impeachment. She denied responsibility for any "illicit acts" and claimed not to have supported the attempt to reach a deal with Cunha based on killing the ethics charges against him. She concluded with an appeal not to allow "indefensible interests to shake the democracy and stability of our country."

Cunha, who has survived a long string of corruption scandals, retains significant support within the deeply corrupted Brazilian congress. He is one of the most right-wing members of the body, part of the Christian Evangelical caucus and, thanks to his apparently pivotal role in the Petrobras kickback scandal, has the ability to bring down many others with him. The fact that the PT had previously embraced such a figure as a political ally speaks volumes about the utterly reactionary and anti-working class character of the ruling party.

While the Brazilian right had previously organized mass demonstrations calling for impeachment—and in many cases for a military coup—it is by no means clear that Cunha can muster the two-thirds vote needed to send articles of impeachment to the Senate, whose leader has publicly opposed the move.

Among the government's immediate concerns was that the move to impeachment would trigger a run on the Brazilian stock market and a further fall of the national currency, the real, against the dollar. It is already down 31 percent this year.

Wednesday's political shocks came just one day after it was announced that the Brazilian economy shrank 1.7 percent in the third quarter of the year compared to the second quarter and was down 4.5 percent compared to the same period last year.

The figures were substantially worse than expected and led analysts to predict that the downturn would continue to deepen next year. This would mark the first time since 1930-31, during the Great Depression, that Brazil will have seen two consecutive years of recession.

Unemployment is rising sharply, with the economy shedding some 1.5 million jobs over the past 12 months. Inflation has topped 10 percent, and the government has responded to the deepening crisis with austerity policies and a push for new taxes.

As a result of the deteriorating social conditions and popular disgust over the wholesale corruption within the PT government, Rousseff's approval ratings have fallen into the single digits, while polls indicate that a majority of the population supports the impeachment drive mounted by her right-wing opponents.

The combined economic and political crises gripping Brazilian capitalism, along with rapidly deepening social polarization, are creating conditions for a violent

eruption of class struggle.

This found expression Tuesday in violent attacks by military police on high school students protesting against the plans by the state of Sao Paulo's right-wing Governor Geraldo Alckmin to carry out a massive education restructuring program that would close 94 schools and affect some 310,000 students and 74,000 teachers. Alckmin's maneuvers are tailored to promoting privately financed charter schools and are expected to further increase the size of classes.

Military Police used tear gas, pepper spray and billy clubs in an attempt to evict students from some of the 200 schools that have been occupied, and to clear protesters from Sao Paulo's streets.



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