

Ex-Workers Party President Lula sentenced to jail amid Brazil's spiraling political crisis

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Brazil's former Workers Party (PT) President Luiz Inacio Lula da Silva was convicted on corruption charges Wednesday and sentenced to nine and a half years in prison. He will not be jailed until his appeal is heard, and, theoretically, he could still run for president in the 2018 election.

The court action against Lula comes amidst a crisis of bourgeois rule in Brazil that is rapidly spiraling out of control.

It is less than a year after the removal of Lula's hand-picked successor, Dilma Rousseff, through her impeachment on trumped-up charges of budgetary manipulations. Her former vice president and now head of state, Michel Temer of the Brazilian Democratic Movement Party (PMDB), is also facing criminal charges and a mounting rebellion from his right-wing base in the Brazilian congress that could spell his ouster.

Temer's approval rating has fallen to 7 percent, while every major political party and institution of the Brazilian state has been thoroughly discredited by the unending revelations of corruption emerging from the three-year-old Operation Car Wash (*Lava Jato*) investigation. This political crisis is unfolding as the ruling class prosecutes a full-scale assault on the basic rights and social conditions of the working class, which has taken its initial form in sweeping labor and pension "reforms."

The conviction of Lula came in the first in a series of pending corruption cases against the former president. It involved the so-called triplex scandal, in which prosecutors charged that he accepted \$1.2 million worth of bribes in the form of a three-story, beach-front apartment and renovations to the structure provided by the engineering firm OAS. It was alleged that the company provided the favors in return for aid in

securing lucrative contracts with Brazil's energy giant Petrobras.

The scandal was a small part of an estimated \$2 billion in assets drained out of the state-run company in a scheme of wholesale bribes and kickbacks that involve every major political party and every significant political figure in the country.

Lula's defense attorney, Cristiano Zanin Martins, declared that the judge leading the Car Wash investigation, Sergio Moro, had "disregarded evidence of innocence" and had "used the process for the purpose of political persecution."

The reality, however, is that the entire Workers Party is saturated with corruption. The PT was founded in 1980 in the wake of a wave of strikes and mass student protests that fatally undermined the 20-year, US-backed military dictatorship. The party, along with the trade union federation with which it is affiliated, the CUT, served from its origins as a political instrument for diverting the revolutionary strivings of the Brazilian working class back under the domination of the bourgeois state.

During its dozen years in power, the PT emerged as the principal party of Brazilian capitalism, defending the interests of a ruling financial and corporate oligarchy both at home and abroad. It used the power of the state to promote the growth and profits of a layer of Brazilian transnational corporations headed by billionaires, such as Odebrecht, OAS and JBS. These firms, in turn, funneled money back into the coffers of the PT and other parties, as well as into the personal pockets of leading politicians.

The PT and Lula were able to survive earlier exposures of this corrupt operation (which included the so-called *mensalao* scandal of a decade ago, in which the PT was paying monthly stipends to congressional

deputies to secure their votes in favor of government-backed legislation). This was under conditions in which the economy was continuing to grow, fueled by the commodities boom and rising demand from China that underlay all the political projects of the so-called left governments of Latin America.

Today, Brazil remains in the grip of the country's worst economic crisis since the Great Depression of the 1930s. Predictions earlier this year of renewed growth have fallen flat, and unemployment continues to rise, hitting 13.3 percent in May. The real jobless rate, counting so-called discouraged workers who have ceased looking for non-existent jobs, is probably closer to a quarter of the workforce.

With no prospects for a growth in foreign investment or a renewal of the rising exports that predominated during Lula's presidency, the turn by the Brazilian bourgeoisie and all its parties, including the PT, is toward a redoubled assault upon the working class.

On Tuesday, the Brazilian Senate approved a labor "reform" that strips workers of unemployment benefits, slashes break times and reduces vacation rights, while facilitating the full transformation of the workforce into casualized, contract labor at the mercy of employers.

While the legislation is wildly unpopular and has provoked popular protests and strikes, the major union federations deliberately sabotaged a general strike that had been planned for June 30 in opposition to the "reform."

Rather than mobilize the working class against the right-wing government, the unions sought to reach a deal to amend the legislation in the area that mattered to them most—a proposal to eliminate the automatic deduction of union dues from workers' wages. Temer has reportedly agreed to propose an amendment to the bill passed by the Senate to secure the unions' income stream. The deal underscores the character of these organizations, which represent the interests not of the working class, but those of privileged upper middle-class layers of officials and bureaucrats tied to the capitalist state.

Temer's presidency, however, is hanging by a thread after he was named in a plea bargain agreement reached with executives of the JBS conglomerate who directly implicated him in bribe-taking. He has been formally charged on one count of corruption and faces further accusations.

For the charges to go to trial, the congress must vote to send the matter to Brazil's Supreme Court. While it initially appeared that Temer would prevail in such a vote, there are now reports that the group of right-wing parties that make up the government's base are prepared to ditch him in favor of the speaker of the lower house of congress, Rodrigo Maia of the DEM. The DEM is the right-wing party that emerged as the political successor to Arena, the official party of Brazil's military dictatorship.

Maia would assume the post of interim presidency during the 180-day period given for the Supreme Court to try Temer. If Temer is convicted, an indirect vote by the congress would choose the next president, with the favored candidate apparently being Maia, who is himself implicated in soliciting campaign donations in return for political favors to OAS, the same firm involved in the case in which Lula was convicted.

In the midst of this rapidly escalating political crisis, Temer delivered a speech Wednesday in which he portrayed Brazil's CIA-backed military coup of 1964 as a manifestation of the "vision" of the Brazilian people being "incompatible" with the "democratic system."

"1964 arrived and it was the centralizing inclination of the Brazilian people," said Temer. "The people like to have an organism that is in charge of everything, especially what is based upon an absolute obedience to the judicial order."

He went on to lament the "tumultuous currents" engulfing his government, adding that "an absolute contempt for institutions is again reborn from a stupendous force and everyone starts saying that we have to change. This is very bad for our country."

The remarks of the embattled president read like a plea for the imposition of a dictatorship under conditions in which the Brazilian bourgeoisie cannot impose the policies it requires by peaceful means.



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