

Brazilian president threatened with ouster over corruption charges

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Brazil's political crisis is set to escalate in the coming weeks, with a vote scheduled on August 2 in the lower house of the Congress on whether to authorize the country's Supreme Court to try President Michel Temer on corruption charges.

The opening of such a trial would entail Temer's immediate suspension for up to six months and the assumption of the presidency by the speaker of the lower house, Rodrigo Maia, until the Supreme Court reaches a verdict. Temer himself came to the presidency under similar conditions barely one year ago. He served as Dilma Rousseff's vice-president since 2011 and conspired in 2016 to oust her on trumped-up charges of budget manipulation.

After what amounted to a sting operation against Temer in May, the president was charged by Rodrigo Janot, Brazil's outgoing attorney general—a non-cabinet position with a fixed two-year term—with accepting at least 9 million reais (US\$3 million) in bribes in exchange for favoring meatpacking baron Joesley Batista in a dispute with the country's anti-trust agency, the Cade.

The charge comes after Temer was taped by Batista in mid-May in an undisclosed late-night meeting at the presidential palace indicating his close associate and former Paraná state representative Rodrigo Rocha Loures would “solve” Batista's problems. Batista then offered the tape to the Federal Police and the section of the attorney general's office investigating the two-year-old, ever-widening Lava-Jato (Carwash) corruption scandal in exchange for a highly favorable plea-bargain agreement. This deal has disclosed yet more details of the systematic corruption pervading the activities of virtually every major political party as well as those of the government's sanitary and industrial oversight bodies.

For his part, Temer's associate, Loures, was subjected to a sting operation by the Federal Police fixing the 9 million reais bribe in Temer's name and the picking up of the first installment of the money with a Batista associate turned informant in late May. Loures was arrested soon afterwards.

Brazilian law offers a number of safeguards to the

president, including immunity from prosecution on any grounds related to crimes committed before taking office. Even in such a case, the last safeguard is, however, the requirement that the lower house authorize the prosecution, which is now set to take place in early August.

First believed to have secured a comfortable margin of victory in the body, where a three-fifths majority must vote against him for the charges to proceed, Temer's future is now uncertain due to open moves by the speaker, Maia, to unseat him, not least in order to protect himself from Janot's charges related to the Lava-Jato probe.

Maia, from the right-wing Democrats (DEM) party, the official successor of the ruling party of Brazil's military dictatorship, ARENA, has reached out to business in the last month and made an open move against Temer by setting a roll-call vote on August 2. This was the same procedure used by Temer's allies in Rousseff's impeachment, in order to shame representatives who vote in the president's favor and pressure them to suspend him.

Maia's “trump card” has been, however, to promise business circles to take an even more right-wing stance in regard to Temer's labor, pension and tax “reforms,” designed to impose the entire burden of Brazil's worst economic crisis in a century on the backs of the country's working class.

Congress approved the labor reform earlier this month at the same time that a panel in the lower house voted in a preliminary report against placing Temer on trial. The decision will now go to a vote by the full lower house on August 2.

The panel considering the charges against Temer saw almost daily rebellions by the parties of the ruling coalition in the two weeks before its vote on July 13. Temer's victory was only assured after he handed out more than US\$5 billion worth of budget amendments to representatives and threatened parties that he would withhold funding for constituencies if party whips failed to get a vote in his favor, as revealed by *O Globo* newspaper on July 16. This procedure may result in Temer facing yet another trial for

vote-buying.

The labor reform, for its part, was rammed through the Senate in just one month after being discussed for almost two years in the lower house. Temer had promised that a quick vote would be rewarded with changes to the bill desired by senators by means of presidential decree.

The essence of the labor “reform” is to open up every economic sector to zero-hour contracts and contract hiring and virtually end collective bargaining by allowing individual contracts for highly concentrated industrial, transport and communications sectors currently covered by collective agreements. Zero-hour contracts are not currently recognized under the country’s labor code, while contract hiring is restricted to so-called means activities, such as catering and cleaning in industrial facilities and offices. In the case where collective bargaining does take place under the new law, unions are now excluded unless explicitly called in by workers.

Temer’s promise of amending the law by decree was made in the face of an increasingly rebellious base in the Senate, unwilling to vote for the toxic economic agenda for fear of being unseated in the 2018 general elections.

The same fears were responsible for repeated delays in the lower house, and an altering of the law by the Senate would spell its return to the House and a virtual paralysis of the government’s agenda.

Moreover, an April 28 general strike against the legislation had seen an outpouring of 40 million workers in every state, even in the face of boycotts by service-sector unions. Temer’s decrees would “alleviate” the “reform” with some limiting of zero-hour contracts and reinforcement of workplace safety rules.

Presidential decrees however, called “Medidas Provisórias” (provisional measures) under Brazilian constitutional framework, are effective for only two months unless confirmed by the House, which puts the legislation’s fate in the hands of Speaker Maia, who has promised big business to kill them in order to proceed with the “revolution” the House began with the so-called reforms.

Temer’s future now looks even more fragile after the financial daily *Valor* revealed on July 18 that Brazil’s Federal Police had agreed with American law enforcement to bug a planned meeting in May between Temer and Batista in New York on the sidelines of an American Commerce Chamber ceremony to honor Brazilian businessmen, including São Paulo Mayor João Doria. The meeting, however, failed to materialize.

On the next day, *O Globo* media pundit Gerson Camarotti revealed that a section of the Brazilian intelligence apparatus under the control of Temer’s secretary of institutional security, General Sérgio Etchegoyen, an unabashed defender

of military rule, had installed “voice scramblers” in the presidential palaces in order to avoid further revelations of wrongdoing by the president.

Such reports indicate the level of internecine warfare within a ruling class engaged in a class war against the working class. Existing bourgeois constitutional powers have proven inadequate for prosecuting this war, despite the servile attitude of the unions and the pseudo-left groups that cover up for them. In the midst of the mounting attacks, the unions called off a planned June 30 general strike after Temer promised to amend the labor reform, particularly in regard to mandatory union dues payments.

The complete rottenness of Brazilian institutions after barely 32 years of constitutional rule following a 21-year, US-backed military dictatorship finds many parallels with the US political crisis, not least in the complete absence of any progressive voice from within the ruling establishment and the full collaboration of so-called workers organizations, including the unions.

Just as in the United States, those who point to the degraded state of bourgeois rule generally fixate on the superficial aspects of personal corruption and backstabbing, failing to expose the deep roots of such rot in the world capitalist crisis and its particular, national expression in Brazil.

In the Brazilian case, a 10 percent drop in GDP and an official unemployment rate of 15 percent compound the historical national conditions of the world’s sharpest social inequality and commodity dependence. World markets and investment are contracting, leaving no prospect of a return of the Chinese-led commodity boom that allowed the Workers Party to secure record profits for the bourgeoisie, enriching many of the businessmen currently caught up in the Lava-Jato investigation.

Under these conditions, the Brazilian ruling class finds itself in an economic blind alley, with no alternative but to launch attacks upon the working class that are ultimately incompatible with democratic forms of rule.



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