

Brazil's Bolsonaro prepares most right-wing government since end of US-backed dictatorship

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The first two weeks since the election of the far-right populist Jair Bolsonaro as Brazil's president are further confirming that the next administration will be the most right-wing since the return to civilian rule after a 21-year US-backed military dictatorship in 1985.

Bolsonaro defeated Workers Party (PT) candidate Fernando Haddad in what became a referendum on the catastrophic social conditions facing Brazilians after 16 years of rule by the PT and its former allies. He built his campaign mainly around anti-corruption demagoguery and an economic nationalist platform—on many issues emulating Donald Trump's "America First" rhetoric. This was mainly directed at Chinese investments in Brazil and what he called "handouts" to "ideological allies" of the former PT government, i.e., Brazilian foreign investments in African and other Latin American nations.

Bolsonaro blamed the worst economic crisis in Brazilian history and a stagnant 12 percent unemployment rate on the massive corruption uncovered by the so-called "Lava-Jato" (Carwash) investigation into a bribes and kickbacks operation centered on a Brazilian economic pillar, the state-run oil giant Petrobras, and—in Trump-like fashion—supposedly uneven economic relations with China, Africa and the rest of Latin America.

However, as has been the case with Trump and other right-wing populists succeeding Latin America's "pink tide" governments, the real content of Bolsonaro's economic nationalism is the destruction of workers' living standards. This includes the rolling back of environmental regulations, which Bolsonaro repeatedly blamed for an "industry of environmental fines" against capitalist industry and agribusiness. All of his policies are being justified in the name of "increasing national competitiveness," joining the race to the bottom in the destruction of working class rights that has been vastly accelerated by world governments since the 2008 crisis.

The first warnings of the situation facing the working class came with the announcement that Bolsonaro's senior economic adviser, Paulo Guedes, would not only head Brazil's traditional Finance Ministry, but would be given a "super-ministry" for the economy, incorporating the functions of the Planning Ministry, the Industry and Foreign Trade Ministry and the Labor Ministry. This massive reorganization is to take place in order to "phase in" the implementation of a sweeping deregulation program including massive privatizations, an increase of capital concentration and, most importantly, the slashing of workplace regulations, wages and pensions.

Guedes has already stated that the first issue on the government's agenda—to be negotiated with Congress even before Bolsonaro takes

office on January 1—is to approve a pension reform. The reform is set to raise the minimum age for retirement to 65 and create an individual capitalization scheme. This would end Brazil's public pension system, enshrined in the 1988 Constitution, which is the sole guarantee of old-age income for millions of workers who work most of their lives in the informal sector, the situation of fully 40 percent of the workforce. Furthermore, the northern regions of Brazil, where 40 percent of the population is concentrated, have a male life expectancy of barely 68.7 years.

Guedes, who is considered a radical "Chicago Boy," took a full professorship at the government-controlled Chile University under Augusto Pinochet's fascist-military rule before heading back to Brazil to work in private investment funds for almost 40 years. He is reportedly using Pinochet's pension system as a model for the proposed "reform."

The extinction of the Labor ministry places Guedes' control over the ministry's "treasury," the Employment Policies Department, which controls most of the funds paid into by employers and which are used for paying unemployment insurance and benefits provided for by Brazil's 1943 Labor Code.

The Economy "super-ministry" is thus expected to facilitate Bolsonaro's plans for a full-blown attack on labor rights, vaguely described during the campaign as the creation of a "green-and-yellow" work permit—Brazil's work permits have a blue cover, and green and yellow are considered the national colors.

The so-called "green and yellow" work permit was only mentioned in the campaign as a "patriotic" work permit, reminiscent of Brazil's history of corporatist trade unionism and in line with Bolsonaro's declarations that in order to fix the economy it was necessary "to end all activism." The true content of the policies it embodies—although it is unclear whether a new work permit will actually be proposed—was hidden beneath the anti-corruption and anti-Chinese demagoguery.

Bolsonaro's plan would also create the possibility of individual work contracts, through which workers would "voluntarily" choose to work outside of conditions covered by the Labor Code or collective-bargaining agreements, regulated only by the Labor articles in the Constitution—which covers the eight-hour day, but not overtime, for example, nor the bulk of workplace regulations specific to each sector.

For its part, the Labor Code—covering only 60 percent of the workforce—was already largely weakened by the 2017 labor "reform" laws, approved by Congress, allowing for generalized contract work, part-time contracts, workday extension to up to 12 hours and, most significantly, allowing unions to negotiate away provisions of the

Code, the measure which was most hated by workers mistrustful of the treacherous unions controlled by the Workers Party, the Communist Party, and the pseudo-lefts. The “reforms” passed with no resistance from unions, amply confirming workers’ fears.

Significantly, even with the main trade unions canceling at least three proposed general strikes to protest proposed pension reform, the measure is considered so toxic that it has been discussed for almost three years without even the most right-wing Congress since 1985—elected in 2014, and now surpassed by the incoming one elected on October 7—able to vote for it for fear of voter punishment. The reform was first proposed by the Workers Party to fend off the 2016 impeachment by appealing not to workers, but to the Congressional right wing. Until today, it has failed to make it to the floor of Congress.

With most of the cabinet so far unknown, Bolsonaro has been quick to announce his nomination for Justice Minister: district court justice Sergio Moro, who first sentenced former PT president Luiz Inácio Lula da Silva to jail on money-laundering charges. The sentence was later upheld by Brazil’s 4th Appeals Circuit court, resulting in Lula being arrested and barred from the elections under the so-called “Clean Slate” (Ficha Limpa) law Lula himself had signed in 2010, suspending political rights for those with corruption sentences upheld by an appellate court.

Beyond a sop to Bolsonaro’s far-right base, Moro’s nomination signals the aim of vastly expanding state powers.

The PT’s sprawling corruption schemes and hated austerity policies gave the right wing plenty of ammunition for pushing the whole political system far to the right. The Lava Jato prosecutorial team has shown systematic contempt for democratic rights, most notably by wiretapping lawyers and treating them as “collaborators.”

As soon as he accepted Bolsonaro’s nomination, Moro declared to the press that he considered the fascist former army captain a “moderate,” and that he agreed with a whole series of his far-right proposals, including reducing the age of criminal responsibility to 16, exempting police and army officers from charges if they murder suspects, and bringing criminal charges against demonstrators, especially the PT-linked Landless and Homeless Workers movements.

These groups, successors to the Land Reform movements from the pre-1964 military coup period, work strictly legally under the provisions of the Brazilian Constitution, covering the conditions for urban or rural properties to be declared of public interest in case it is proven they are being used in speculative operations.

Members of these groups have been the target of numerous massacres by mercenaries working for land speculators. Bolsonaro’s program promised to scrap “any questioning of the right to private property,” essentially pushing these movements and tens of thousands of unorganized squatters into illegality.

Bolsonaro’s first two weeks as president-elect have already succeeded in pushing the PT to the right, with the defeated party casting itself as the “respectable” trustee of the interests of the Brazilian state and focusing its opposition almost exclusively on Bolsonaro’s economic and foreign policy “blunders.”

The language of the PT’s mouthpiece, *Brasil247*, is indistinguishable from that of Brazil’s traditional right wing, consisting largely of denunciations of the “unpreparedness” of Bolsonaro’s team and expressions of concern over the “national interest.”

The Workers Party is unable and unwilling to challenge Bolsonaro on his extreme neoliberal policies, which it largely shares, and his lies

on the campaign trail.

The PT was deserted by the working class precisely after it nominated the “Chicago Boy” Joaquim Levy as finance minister on the first day of Rousseff’s second term. Levy is now set to join Bolsonaro’s cabinet as head of the National Development Bank (BNDES).

For decades, the PT’s affiliated CUT trade union federation has defended corporatist union-management agreements, imposing upon angry workers exactly the policy advocated by Bolsonaro when he says: “you can have every right and no jobs, or less rights and jobs.”

The PT’s opposition has thus been concentrated on finding common ground with what it expects will be dissenting business circles, first and foremost industrial and agribusiness monopolies. After attempting to red-bait Bolsonaro over Venezuela in the second round of the elections, the PT-oriented circles are rallying against Bolsonaro’s “ideological” environmental and foreign policies, which they warn will hurt Brazil’s “geopolitical position.”

To Bolsonaro’s nomination of a “beef caucus” hardliner as agriculture minister and his threats to shut down the Environmental Ministry, with his far-right allies accusing “international NGOs” of “hidden interests,” *Brasil247* has counterposed the “warnings of the European Union” that they will not “reopen negotiations” on issues “affecting the quality of our agricultural imports.” Under the suggestion of the agribusiness moguls themselves, Bolsonaro has decided to keep the Environmental Ministry.

In reaction to Bolsonaro’s stated intention to transfer the Brazilian embassy in Israel to Jerusalem, and to scrap commercial agreements with Argentina—both with the potential of hurting Brazilian exports (the first announcement provoked the canceling of the Brazilian chancellor’s visit to Egypt)—*Brasil247* columnist Jeferson Miola wrote that the Industry Federation (CNI) should “react to the ultraliberal policies which threaten the very existence of industrialists as a class.”

After the commander of the Brazilian Army, Gen. Eduardo Villas Bôas, admitted in an interview with *Folha de São Paulo* on Sunday that he had threatened the Supreme Court on the eve of its decision regarding Lula’s habeas corpus plea on April 4 that freeing the former PT president could lead to “a breakdown of the hierarchy” within the armed forces—i.e., a potential coup—Rousseff’s former spokeswoman Helena Chagas praised the general for distancing from Bolsonaro. She wrote: “Villas Bôas’ words should be widely reproduced as reassuring” of the Army’s restraint, which “displeased Bolsonaro’s allies.”

There is nothing progressive in the attempt to present institutions tearing themselves apart, like the European Union or a coup-monger like Villas Bôas, as pillars of the “reasonable” democratic order, or disagreeing with Bolsonaro on which side to take in the trade war initiated by Trump. The PT is exposing that it will not, as many of its pseudo-left apologists say, react to its electoral defeat by “turning left.” On the contrary, it is shifting further to the right. An irreconcilable break with the PT and those who cover up for it is the first task of Brazilian workers.



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