

Brazil's Workers Party lays out 2022 election program: austerity and corporatism

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The Workers Party (PT) has marked the beginning of Brazil's 2022 electoral year with a series of announcements meant to suggest that the party is intent on reversing the austerity imposed over the past five years.

The most significant claim is that, if it returns to power, the party will “revoke” the 2017 labor reform enacted under president Michel Temer, the former vice president of the PT's Dilma Rousseff, who succeeded her after the trumped-up 2016 impeachment. The reform widely expanded casual labor and provoked a massive reduction of wages. At the same time, it drastically cut funding for the demoralized unions, leading many of them to fire scores of officials. The increase in union funding is one of the central aims of the PT's so-called “revocation.”

The party has also announced it will seek the revocation of the 20-year freeze on spending, enshrined in the Brazilian Constitution in 2017, which has caused a massive deterioration in public services, infrastructure and poverty relief programs. The PT claims the 2017 spending cap is the only obstacle to a massive investment program to bring back good paying jobs—its own version of the fraudulent “Build Back Better” promises of Joe Biden in the United States.

The PT's renewed bid for the presidency with the candidacy of former president Luiz Inácio Lula da Silva takes place under extraordinary social conditions. Massive death from COVID-19 has been joined with a sharp growth in extreme poverty, hunger, unemployment and inflation. With the ruling class conscious it is presiding over a social powder keg that is irreconcilable with democratic forms of rule, the fascistic President Jair Bolsonaro and his far-right allies are working day and night on preparations to overturn a likely defeat at the polls in October.

Their attacks on the electoral system have reached such a pitch that the chiefs of the armed forces themselves warn of a putsch, or a “Capitol scenario,” ordering that military exercises be brought forward in order to have the entire armed forces available for action during the elections—above all to suppress workers' resistance to a coup.

Under these conditions, the Workers Party is entirely dedicated to stabilizing Brazilian capitalism and preventing popular opposition to Bolsonaro developing into a massive movement against capitalism itself. The PT's recent announcements are designed to lend a “left” veneer to Lula's essentially right-wing, pro-business electoral campaign. That campaign has followed in the footsteps of the PT's right-wing opposition to Bolsonaro since

2018, based entirely on criticisms of his incapacity to please foreign capital, peppered with feigned concern over the massive COVID death rate and the record poverty engulfing Brazilian workers.

In launching his presidential bid in November 2021, Lula toured Europe, meeting Germany's then chancellor-in-waiting Olaf Scholz, Spain's Pedro Sánchez and France's Emmanuel Macron, who staged a high-profile reception with honor guards, as he used Lula's visit to bolster his own right-wing presidential campaign. Speaking before the European Parliament, Lula extolled the ever more right-wing and militarized European Union as a beacon of peace and democracy, signaling to European capitalism a future shift from Bolsonaro's US-centric foreign policy, which has attracted both internal and external criticism.

Later in December, Lula made public his negotiations to have as his running mate Geraldo Alckmin, the four-time São Paulo governor who twice led the presidential ticket of the Brazilian Social Democracy Party (PSDB), the main right-wing opposition to PT rule in a de facto two-party system that prevailed from 1994 to 2018. Alckmin finished the 2018 race with only 5 percent of the vote, the worst performance since the PSDB was founded in 1988.

Alckmin left the PSDB in November after years of a thoroughly opportunistic feud with current São Paulo Governor João Doria. Supporting Bolsonaro against him in 2018 and pushing the PSDB even further to the right, Doria also blocked Alckmin's internal party bid to reclaim the São Paulo governorship in 2022. Alckmin has a firm base in the murderous São Paulo Military Police corps and the conservative countryside of the state, as well as in the most right-wing unions, which have historically opposed the PT and are dominated by the Solidarity and Social Democratic (PSD) parties.

Alckmin has been chosen by Lula as the ideal running mate to reassure Brazilian and foreign capital that the PT will defend their interests, whatever talk of “social reform” it feeds into the electoral propaganda mill for the benefit of the party's left wing, the pseudo-lefts that orbit it and the unions.

Both of the high-profile economic promises made by the PT must be taken for what they are: lies.

The use of the term “revocation” for the PT's proposal for new labor laws is a lie in itself. It is used deliberately by the party president, Gleisi Hoffmann, and the likes of *Brasil de Fato* and *Brasil247* in a bid to hide the true content of the proposal. Lula himself cited as his “model” a law in Spain sponsored by the pseudo-left Podemos, the junior partner in the ruling coalition,

which it claimed during its own electoral campaign would “reverse” the 2012 labor reform imposed by the European Union. The 2012 bill made casual labor in Spain grow to 25 percent of the workforce and imposed massive cuts to severance pay, allowing employers to fire workers en masse.

Despite the PT’s false claims, not even Spain’s labor minister, Yolanda Diaz, claims the new Podemos bill to be a “revocation” of the 2012 act. It barely touches the casualization of labor and the previous cuts to severance pay. The new bill in Spain is part of a brutal austerity package demanded by the European Union in exchange for funds that will immediately be diverted to the stock markets. It was tied to yet another “pension reform” increasing contributions and retirement age.

At the same time, the Socialist Party-Podemos government has doubled the state funding for the unions which are needed, in the words of Prime Minister Pedro Sánchez, to “maintain social peace” and allow “flexibility for employers to adapt to circumstances through the use of furlough schemes” such as those authorized in Brazil by Rousseff in 2015.

The increase in union funding is also the sole concern of the Brazilian unions. The Alckmin-allied Força Sindical reacted to the PT’s announcement of the “revocation” program by declaring the unions are seeking “improvements” in the law, but not its revocation.

The need to increase union funding in exchange for “social peace”—that is, the suppression of class struggle—was recognized by one of the chief sponsors of the Brazilian labor reform, former House speaker Rodrigo Maia, who is currently a coordinator in the campaign of the PSDB’s Doria for the presidency. Maia reacted to the PT’s proposal with a heavy handed overture to the unions, disguised as “democratic” concerns. “I’m convinced they are right,” he said. “Unions are a fundamental structure for the defense of workers and democracy. The first thing Hitler did in Germany was to suppress German unions. We really went too far” in the reform.

As for the promise to repeal the spending cap, its starting point is a thoroughly right-wing attack on a series of measures bypassing the cap sponsored by the Bolsonaro government, which the PT claims hurt Brazil’s “credibility.” PT president Hoffmann has repeatedly declared that the spending cap is effectively defunct. She told CNN last week that “this spending cap has already been abandoned by everybody. By the way, this is an embarrassment. Nobody respected it,” concluding that “the markets can’t defend something that nobody respects.” In other words, the PT’s program is to sponsor a spending cap that is “respected,” i.e., more reliable austerity.

Nelson Barbosa, who was Rousseff’s economy minister, spoke recently to *Folha de S. Paulo* as a representative of the PT’s Perseu Abramo think-tank economics team and explained the PT’s proposal is to start the government with a civil service reform that would cut entry level wages and lengthen the span of career progression. That would allow freeing up room for “investments”—that is, a boon to major companies and stock markets such as the “furlough schemes” of 2015, before Rousseff’s impeachment.

The PT’s austerity promises are being welcomed by the

financial markets, with the financial daily *Valor* crediting the fall of the US dollar against the Brazilian real on January 19 largely to Lula’s defense of Alckmin to a group of PT-aligned websites such as *Brasil247*, excluding major dailies and TV stations.

The true aim of the PT’s economic announcements was to provide the pseudo-lefts and the unions talking points to convince workers and youth that the party can be pushed to the left and that Lula’s right-wing campaign is to be “disputed” with the likes of his running-mate, Alckmin.

The lies about the “revocation” of the labor reform were immediately echoed by the leader of the PT’s supposed left wing, Rui Falcão, who currently feigns opposition to the alliance with Alckmin. Falcão declared that “Lula’s and Hoffman’s declarations about changing the labor laws set a good tone for the program by bringing the working class to the agenda.”

Predictably, the issue was also amplified by the international voice of pro-imperialist “socialists,” *Jacobin* magazine, which ran an article on January 20 claiming Lula’s declarations were causing “desperation” in the ruling class. That would imply a possible third Lula government would be nothing less than anti-capitalist.

The turn to the unions by the PT in alliance with major right-wing figures such as Maia and Alckmin, with Força Sindical and the Solidarity party playing a major role in the rehabilitation of the hated former São Paulo governor, is designed to push a corporatist agenda in which the unions take center stage in anticipation of a major eruption of class struggle. Such opposition is already developing, with workers unwilling to accept the economic disaster engulfing tens of millions, the threats of dictatorship, and the onslaught of Omicron, for which the PT offers no solution, except for an entirely inadequate campaign to expand vaccinations. The task of the unions is to impose poverty wages in so-called “negotiations” in the name of “national unity” and “keeping up the economy” as the ruling class seeks “competitiveness” by cutting labor costs.

The PT’s Senate leader Paulo Paim had already declared in July that the party intended to emulate the pro-union campaigns of US president Joe Biden, which are an integral part of US war preparations against China. While the PT is nominally seeking a rapprochement with China and the European Union, the nationalist logic of international geopolitical competition imposes the same need to increase working class exploitation and suppress opposition in every country.

Workers must oppose this campaign. The only way forward in the struggle against austerity, poverty, and the “herd immunity” policy sponsored by all factions of the Brazilian ruling class, including those represented by the PT, is to base it on a socialist and internationalist program, independent of and opposed to the existing unions, the PT and its apologists.



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