

Brazil's "herd immunity" policy: poverty and mass death for workers, bonanza for super-rich

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Almost two years after the beginning of the COVID-19 pandemic in Brazil, its social, economic and health effects on the working class and poor are increasingly laid bare by the country's social and economic statistics. Numerous studies and reports published in recent months have revealed a disproportionate effect of the greatest health crisis in a century on the working population, which has experienced higher mortality, impoverishment and starvation, even as the number of billionaires in Brazil has increased.

Brazil has suffered the second highest death toll from the pandemic, with 652,000 deaths, and the third largest number of cases, over 29 million. There is a consensus among medical experts that both counts are underestimates, and there is no accounting of the millions who have "survived" only to suffer from crippling sequelae.

Such a situation is the direct product of a deliberate policy of Brazil's ruling elite to keep workplaces and schools open amid the raging pandemic, not only to avoid damaging corporate profits, but also to increase them. While the herd immunity policy has found in Brazil's fascist President Jair Bolsonaro its most open representative, it has been embraced by all ruling parties, including the alleged opposition represented by the Workers Party (PT), which has joined in abandoning the most basic mitigation measures to declare the pandemic over.

Last Friday, the Brazilian Institute of Geography and Statistics (IBGE) released the latest economic data for last year. Despite Brazil's GDP growing by 4.6 percent in 2021, after a 3.9 percent drop the previous year, the real average income of Brazilian workers decreased by 7 percent compared to 2020, going from 550 to 511 dollars. This is the lowest level since 2012.

However, the income reduction was not the same for the entire Brazilian population. A September 2021 study by the Fundação Getúlio Vargas (FGV), "Inequality and Labor Impacts in the Pandemic," showed that for the poorest 50 percent, the reduction was 21.5 percent compared to 2019, more than double the average reduction for the entire population of 9.4 percent.

Comparative data on the income of the poorest and richest

Brazilians released last December by the World Inequality Lab painted an even more disturbing picture. It found that the poorest 50 percent in Brazil received only 10 percent of the national income and owned only 0.4 percent of the country's wealth in 2021. The richest 10 percent, on the other hand, earned 59 percent of the national income, almost 30 times more than the poorest 10 percent.

According to the FGV study, more than half of the decrease in the income of the poorest was due to the rise in unemployment. The year 2021 ended with an average unemployment rate of 13.2 percent, or 12 million Brazilians. The ruling elites celebrated this statistic as a decrease from the nearly 15 percent unemployment rate at the height of the health crisis, ignoring that such a "recovery" came at the expense of the numbers of those formally employed and of the wages for those hired. In any case, it was the second highest level of unemployment recorded since 2012, and the highest among the G20 countries.

Brazilian inflation is also the third highest in that group, trailing only Turkey and Argentina. The 10.06 percent inflation in 2021, the highest since 2015, was driven by a huge increase in fuel prices, with gasoline having increased 47.5 percent last year. The price of electricity has risen by 21 percent, cooking gas by 37 percent and food and beverages by 7.9 percent. These price increases directly impacted household consumption and, along with unemployment, brought the level of consumption of Brazilian families back to the level of 2018.

This miserable combination of unemployment and inflation has accelerated the rise of poverty and hunger, which had been on the rise in Brazil since 2015, when the country's economic crisis worsened. In 2019, 11 percent of the Brazilian population, or 23 million people, were living below the poverty line. Now, amid celebrations of the economic "recovery," poverty rates are still the highest in nine years, according to the latest data, from July 2021. According to the same survey, 27.7 million people, or 13 percent of Brazilians, were poor.

It is noteworthy that the paltry "emergency relief" paid by the government during 2020, worth only 60 percent of a minimum wage, had briefly reduced the poverty rate to 4.3 percent. Its

termination made poverty explode to 16 percent of the population, or 34 million people. In withdrawing the “emergency relief,” the ruling class was able to blackmail workers into returning to work at lower pay and completely exposed to a further catastrophic COVID-19 surge in the second quarter of 2021.

In the first year of the pandemic, in 2020, a study by the Free University of Berlin in partnership with the Federal University of Minas Gerais showed that 59.3 percent of the Brazilian population, or 125.6 million people, suffered from food insecurity, the highest proportion since 2004. It also showed that 63 percent of the Brazilian population changed their food habits due to impoverishment.

This desperate scenario for the Brazilian working class and poor contrasts with the situation of the super-rich. Listing 40 new Brazilian billionaires last year, *Forbes* cynically wrote that the year 2021 was “as challenging as the first for the ... business environment,” adding, “Financial incentives [i.e., multi-trillion-dollar bailouts] around the world to address the crisis have heated up the capital markets,” which “directly favored the growth of the club of the super-rich.”

At the beginning of the pandemic, the Central Bank of Brazil, following the speculative frenzy in the US and internationally, poured \$240 billion into the financial markets, almost 17 percent of the Brazilian GDP. This represents four times more than what was offered to the 67 million Brazilians, 31 percent of the population, who received “emergency relief” from the federal government.

According to Oxfam’s report “Inequality Kills,” published in January of this year, this led to Brazilian billionaires increasing their wealth by 30 percent during the pandemic, while 90 percent of the population became poorer. The World Inequality Lab study also showed that the richest 1 percent in Brazil owned almost half (48.9 percent) of the national wealth in 2021, an increase of 0.5 percentage points since 2019. Indeed, the Gini index during the pandemic has skyrocketed. It rose from 0.6276 in 2019 to 0.6669 in the first half of 2020, falling to 0.6400 by the middle of 2021 amid the so-called “recovery.” Brazil is the sixth most unequal country in the world.

Not only did the pandemic increase social inequality, but the effects of social inequality have also had a direct impact on the pandemic in Brazil, the country with the second highest number of deaths in the world. Numerous studies have shown the association between poverty and COVID-19 mortality, which at the beginning of the pandemic was twice as high among the Brazilian poor as the national average. In São Paulo, the largest city in Latin America alongside Mexico city, and Brazil’s financial center, a recent study showed that ICU lethality in public hospitals was three times higher than in “high cost” hospitals, which are attended by the super-rich and the Brazilian ruling elite.

This unequal death toll is bound up with the efforts of the Brazilian ruling elite to keep as many workplaces open as

possible to ensure its profits. The study “The timeline of the federal strategy of spreading COVID-19” was delivered to the Brazilian Senate Parliamentary Commission of Inquiry on the COVID-19 pandemic last year.

After investigating the federal government’s response to the pandemic—including more than 3,500 federal government regulations up to April 30, 2021—the study found a “commitment and efficiency in favor of the wide dissemination of the virus in the national territory, avowedly with the aim of resuming economic activity as soon as possible.” It concluded that this policy, “according to the Federal Budget Court, configures the ‘political option of the Government Center to prioritize economic protection’”—by which the court actually refers to corporate profits, and not workers’ living standards.

Among the regulations to “prioritize economic protection” were those that “expanded the list of activities considered essential during a pandemic,” such as construction and several industrial and service sectors. These same economic activities were the ones that boosted Brazil’s GDP growth in 2021, driven by low wages and informal jobs.

The study concluded that the federal government advocated the “thesis of herd immunity by contagion as a form of response to COVID-19, disseminating the belief that ‘natural immunity’ arising from virus infection would protect individuals and lead to pandemic control. ... one cannot be too familiar with the views of William Haseltine, President of ACCESS Health International, for whom ‘herd immunity is another name for mass murder. This is exactly what it is all about.’”

To expose all the malignant cruelty of the world’s ruling elite during the pandemic, in late November 2021, the *World Socialist Web Site* launched the Global Workers’ Inquest into the COVID-19 Pandemic. Its goal is to investigate and “expose the political and economic forces and interests that drove the policies that allowed the uncontrolled transmission of the virus” and “debunk the myth that the pandemic was an unpredictable and uncontrollable disaster.” We call on all those who want to get involved in this initiative to contact us.



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